



**Office of State Budget Director**

284 Capitol Annex, 702 Capitol Avenue  
Frankfort, Kentucky 40601

**Matthew G. Bevin**  
Governor

(502) 564-7300  
Internet: [osbd.ky.gov](http://osbd.ky.gov)

**John E. Chilton**  
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**  
**January 10, 2017**

**Contact: John E. Chilton**  
**Greg Harkenrider**  
**502-564-7300**

**GENERAL FUND AND ROAD FUND RECEIPTS**  
**FOR DECEMBER 2016**

***General Fund receipts rose 2.9 percent***  
***Road Fund receipts fell 13.4 percent***

**FRANKFORT, Ky. (Tuesday, January 10, 2017)** - The Office of State Budget Director reported today that December's General Fund receipts rose 2.9 percent compared to December of last year, an increase of \$28.4 million. Total revenues for the month were \$1,025.2 million, compared to \$996.8 million during December 2015. Receipts have increased 3.3 percent for the first six months of the fiscal year that ends June 30, 2017. Second quarter collections rose 3.3 percent, only slightly lower than the first quarter total of 3.4 percent.

The official FY17 revenue forecast calls for 2.7 percent revenue growth. Revenues would need to grow 2.1 percent for the last six months of the fiscal year to meet the estimate.

Road Fund receipts for December totaled \$111.5 million, a 13.4 percent decrease from December 2015 levels. Year-to-date receipts are essentially unchanged for the first six months of FY17. The official revenue estimate projected a 1.7 percent decline for the fiscal year and receipts would need to fall 3.5 percent to meet the estimate.

State Budget Director John Chilton noted that in December the largest accounts helped drive the growth and that collections continue to trend upward on both a monthly and quarterly basis. "It is encouraging to see sales and use, and individual income tax collections rebound from a lackluster November. Sales and use tax collections had declined in each of the past two months while individual

income tax receipts grew less than one percent in November. General Fund receipts have increased in five of the six months this fiscal year and been steady in each of the first two quarters, growing 3.4 and 3.3 percent, respectively. Looking at receipts on a quarterly basis, we have had growth in 25 of the past 26 quarters. We will continue to monitor receipts as well as the economic conditions of the Commonwealth.”

Among the major accounts:

- Sales and use tax receipts rose 2.8 percent in December and have increased 1.8 percent for the year.
- Corporation income tax receipts decreased 7.6 percent but are up 19.7 percent for the year.
- Individual income tax collections rose 2.0 percent in December on the strength of estimated payments. Year-to-date collections in this account have increased 4.3 percent.
- Property tax collections fell 7.1 percent but are up 3.7 percent for the year.
- Cigarette tax receipts declined 16.1 percent in December. For the first six months of the year collections have decreased 3.5 percent.
- Coal severance tax receipts decreased 16.8 percent in December and have fallen 30.7 percent for the year.

Road Fund receipts fell 13.4 percent, or \$17.3 million, in December due primarily to a timing issue in motor vehicle usage tax collections. Receipts for the month were \$111.5 million compared to \$128.8 million last December. Receipts are unchanged through the first six months of the year. Second quarter collections fell 3.6 percent, offsetting the 3.6 percent increase seen in Q1. Official Road Fund estimates call for a decrease in revenues of 1.7 percent for the fiscal year. Based on year-to-date tax collections, revenues can decline 3.5 percent for the remainder of FY17 to meet the estimate. Chilton noted that while the large decline in motor vehicle usage tax collections was not unexpected, motor fuels receipts were a pleasant surprise. The 8.1 percent increase in this account was the largest since March 2013. Among the accounts, motor fuels receipts rose 8.1 percent in December, and are up 2.2 percent for the first six months. Motor vehicle usage revenue fell 34.1 percent in December and has decreased 1.7 percent year-to-date. License and privilege receipts decreased 30.6 percent for the month and are down 2.2 percent for the year.

KENTUCKY STATE GOVERNMENT REVENUE  
1. GENERAL FUND REVENUE

	DECEMBER 2016	DECEMBER 2015	% Change	JULY THROUGH DECEMBER FY 2017	FY 2016	% Change
<b>TOTAL GENERAL FUND</b>	<b>\$1,025,238,525</b>	<b>\$996,796,879</b>	<b>2.9%</b>	<b>\$5,239,517,779</b>	<b>\$5,070,353,237</b>	<b>3.3%</b>
<b>Tax Receipts</b>	<b>\$986,550,196</b>	<b>\$975,120,039</b>	<b>1.2%</b>	<b>\$5,058,625,079</b>	<b>\$4,895,844,064</b>	<b>3.3%</b>
Sales and Gross Receipts	\$337,169,552	\$328,259,892	2.7%	\$2,038,131,133	\$2,006,635,573	1.6%
Beer Consumption	516,603	552,510	-6.5%	3,251,869	3,489,346	-6.8%
Beer Wholesale	5,242,130	4,382,639	19.6%	31,643,777	32,496,745	-2.6%
Cigarette	16,827,439	20,048,905	-16.1%	111,653,427	115,676,724	-3.5%
Distilled Spirits Case Sales	18,933	11,975	58.1%	79,472	70,761	12.3%
Distilled Spirits Consumption	1,716,715	1,179,713	45.5%	7,366,519	6,659,556	10.6%
Distilled Spirits Wholesale	5,313,915	3,394,117	56.6%	22,473,650	19,800,979	13.5%
Insurance Premium	66,428	99,792	-33.4%	46,753,081	45,879,260	1.9%
Pari-Mutuel	290,317	256,408	13.2%	2,131,495	1,773,611	20.2%
Race Track Admission	14,456	13,201	9.5%	106,418	132,854	-19.9%
Sales and Use	297,430,983	289,388,404	2.8%	1,759,451,644	1,727,701,719	1.8%
Wine Consumption	396,928	441,625	-10.1%	1,658,248	1,648,047	0.6%
Wine Wholesale	2,291,063	1,496,939	53.0%	9,326,819	8,327,708	12.0%
Telecommunications Tax	5,305,486	5,398,951	-1.7%	31,362,796	32,259,763	-2.8%
Other Tobacco Products	1,738,156	1,594,712	9.0%	10,870,076	10,712,488	1.5%
Floor Stock Tax	0	0	---	1,841	6,012	-69.4%
License and Privilege	\$590,387	\$561,344	5.2%	(\$726,463)	\$1,889,275	-138.5%
Alc. Bev. License Suspension	32,750	13,176	148.6%	235,703	236,901	-0.5%
Corporation License	4,694	39,635	-88.2%	(7,438)	70,318	---
Corporation Organization	1,200	0	---	923,197	91,685	906.9%
Occupational Licenses	8,856	10,770	-17.8%	66,904	87,111	-23.2%
Race Track License	52,500	52,500	0.0%	181,475	212,500	-14.6%
Bank Franchise Tax	436,844	401,469	8.8%	(2,480,569)	864,332	---
Driver License Fees	53,544	43,793	22.3%	354,266	326,428	8.5%
Natural Resources	\$11,392,890	\$13,015,591	-12.5%	\$65,243,389	\$90,152,012	-27.6%
Coal Severance	8,369,156	10,053,935	-16.8%	50,023,771	72,215,660	-30.7%
Oil Production	387,356	351,333	10.3%	2,447,879	2,858,408	-14.4%
Minerals Severance	1,918,596	1,781,385	7.7%	10,023,699	10,687,890	-6.2%
Natural Gas Severance	717,781	828,937	-13.4%	2,748,040	4,390,054	-37.4%
Income	\$502,437,346	\$490,113,889	2.5%	\$2,527,262,083	\$2,376,584,050	6.3%
Corporation	90,308,879	97,768,898	-7.6%	271,720,629	226,925,277	19.7%
Individual	382,204,470	374,734,044	2.0%	2,158,191,451	2,069,454,809	4.3%
Limited Liability Entity	29,923,997	17,610,947	69.9%	97,350,003	80,203,965	21.4%
Property	\$127,860,298	\$137,652,763	-7.1%	\$394,238,159	\$380,338,302	3.7%
Building & Loan Association	(1,261)	(11,602)	---	15,372	(11,881)	---
General - Real	80,991,882	85,540,423	-5.3%	198,670,874	195,484,118	1.6%
General - Tangible	37,959,689	45,853,068	-17.2%	134,550,736	131,017,499	2.7%
Omitted & Delinquent	5,260,775	2,963,425	77.5%	9,309,675	3,785,168	146.0%
Public Service	3,136,540	2,909,319	7.8%	50,748,275	49,097,477	3.4%
Other	512,674	398,130	28.8%	943,227	965,921	-2.3%
Inheritance Tax	\$5,342,808	\$3,596,477	48.6%	\$22,584,767	\$27,908,639	-19.1%
Miscellaneous	\$1,756,915	\$1,920,083	-8.5%	\$11,892,010	\$12,336,211	-3.6%
Legal Process	926,843	1,071,528	-13.5%	6,585,246	7,322,395	-10.1%
T. V. A. In Lieu Payments	830,072	848,556	-2.2%	5,262,981	5,028,475	4.7%
Other	0	0	---	43,784	(14,659)	---
<b>Nontax Receipts</b>	<b>\$38,542,390</b>	<b>\$21,581,875</b>	<b>78.6%</b>	<b>\$178,641,631</b>	<b>\$170,753,273</b>	<b>4.6%</b>
Departmental Fees	1,822,283	1,847,718	-1.4%	7,448,660	7,921,966	-6.0%
PSC Assessment Fee	(180)	356	---	13,031,320	10,868,310	19.9%
Fines & Forfeitures	1,367,303	1,513,062	-9.6%	9,296,389	10,622,994	-12.5%
Income on Investments	(121,459)	(102,126)	---	(327,005)	(422,082)	---
Lottery	20,000,000	18,500,000	8.1%	118,127,129	110,278,429	7.1%
Sale of NOx Credits	0	0	---	0	0	---
Miscellaneous	15,474,443	(177,135)	---	31,065,138	31,483,656	-1.3%
Redeposit of State Funds	\$145,939	\$94,964	53.7%	\$2,251,069	\$3,755,900	-40.1%

	<u>DECEMBER</u> <u>2016</u>	<u>DECEMBER</u> <u>2015</u>	<u>% Change</u>	<u>JULY THROUGH DECEMBER</u> <u>FY 2017</u>	<u>JULY THROUGH DECEMBER</u> <u>FY 2016</u>	<u>% Change</u>
<b>TOTAL STATE ROAD FUND</b>	<b>\$111,525,305</b>	<b>\$128,762,834</b>	<b>-13.4%</b>	<b>\$742,491,195</b>	<b>\$742,251,961</b>	<b>0.0%</b>
Tax Receipts-	109,983,860	126,736,995	-13.2%	\$732,656,616	\$730,979,502	0.2%
Sales and Gross Receipts	\$100,994,883	\$113,784,980	-11.2%	\$634,963,316	\$631,056,065	0.6%
Motor Fuels Taxes	66,617,960	61,631,506	8.1%	390,284,986	382,065,220	2.2%
Motor Vehicle Usage	34,376,923	52,153,474	-34.1%	244,678,330	248,990,844	-1.7%
License and Privilege	\$8,988,977	\$12,952,015	-30.6%	\$97,693,300	\$99,923,437	-2.2%
Motor Vehicles	6,206,521	9,514,774	-34.8%	39,642,565	45,381,555	-12.6%
Motor Vehicle Operators	1,202,885	1,241,002	-3.1%	7,998,987	8,223,852	-2.7%
Weight Distance	446,108	1,019,690	-56.3%	41,907,054	41,284,507	1.5%
Truck Decal Fees	5,690	1,230	362.6%	18,370	38,242	-52.0%
Other Special Fees	1,127,772	1,175,319	-4.0%	8,126,324	4,995,282	62.7%
Nontax Receipts	\$1,608,138	\$1,893,459	-15.1%	\$9,543,372	\$10,772,132	-11.4%
Departmental Fees	1,274,321	1,792,557	-28.9%	8,480,458	9,927,459	-14.6%
In Lieu of Traffic Fines	23,215	28,471	-18.5%	167,520	206,267	-18.8%
Income on Investments	132,251	(81,006)	---	(150,789)	240,917	---
Miscellaneous	178,351	153,437	16.2%	1,046,183	397,489	163.2%
Redeposit of State Funds	(66,693)	132,379	---	\$291,208	\$500,328	-41.8%

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>.