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GENERAL FUND, ROAD FUND RECEIPTS INCREASE
IN MAY 2017

General Fund receipts increased 4.8 percent
Road Fund receipts increased 16.9 percent

FRANKFORT, Ky. (Friday, June 9, 2017) - The Office of State Budget Director reported today that May's General Fund receipts rose 4.8 percent compared to May of last year, an increase of \$33.8 million. Total revenues for the month were \$739.6 million, compared to \$705.8 million during May 2016. Receipts have now grown 1.5 percent for the first eleven months of FY17.

The official budget estimate calls for 2.7 percent revenue growth for the entire fiscal year. To meet the estimate, receipts must grow 12.9 percent over the final month of the fiscal year. The most recent internal revenue estimate predicts revenues will grow 1.6 percent for the year.

State Budget Director John Chilton noted that while revenue growth has been generally good this year, one poor month has had a significant impact on year-to-date collections. "May marks the eighth time in 11 months in which revenues have increased compared to FY16. Of the three monthly declines, two have been modest with contractions of 0.2 and 2.1 percent. March receipts, on the other hand, fell 11.4 percent and have had a profoundly depressing effect on FY17 collections. After the estimated shortfall of \$113 million was released in late April, the Office of State Budget Director has directed Cabinet Secretaries and other Agency heads to reduce spending by one percent in order to accommodate the anticipated revenue deficit."

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Among the major accounts:

- Sales and use tax receipts increased 0.9 percent for the month and have grown only 0.7 percent year-to-date.
- Corporation income tax receipts fell \$13.4 million in May and have declined 9.4 percent for the year. The corporate income tax grew 19.7 percent in the first half of FY17 before falling abruptly, most notably in March 2017.
- Individual income tax collections grew 5.6 percent in May due primarily to withholding and balances on net returns. Receipts have now grown 2.8 percent through the first eleven months of FY17.
- Property tax collections increased 32.9 percent in May and have grown 4.2 percent year-to-date.
- Cigarette tax receipts declined 2.2 percent in May and have fallen 2.1 percent year-to-date.
- Coal severance tax receipts grew 4.1 percent in May. Collections have declined 18.2 percent through the first eleven months of the fiscal year.

Road Fund receipts rose 16.9 percent in May 2017 with collections of \$138.7 million. This marks the second highest monthly collection total; however, collections were bolstered by timing issues in the motor vehicle usage tax receipts. Year-to-date Road Fund collections have grown 2.5 percent. The official Road Fund revenue estimate calls for a 1.7 percent decrease in revenues for the fiscal year. Based on year-to-date tax collections, revenues can decline 43.8 percent in June to meet the estimate. The most recent internal revenue estimate predicted revenues will increase 1.2 percent for the year. Among the accounts, motor fuels fell 0.4 percent and have grown 1.3 percent for the year. Motor vehicle usage revenue grew 48.9 percent, and license and privilege receipts grew 14.0 percent.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>MAY</u> <u>2017</u>	<u>MAY</u> <u>2016</u>	<u>% Change</u>	<u>JULY THROUGH MAY</u> <u>FY 2017</u>	<u>JULY THROUGH MAY</u> <u>FY 2016</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$739,572,330	\$705,781,148	4.8%	\$9,439,413,471	\$9,296,847,926	1.5%
Tax Receipts	\$717,059,126	\$682,222,750	5.1%	\$9,145,109,225	\$9,004,509,133	1.6%
Sales and Gross Receipts	\$355,041,318	\$352,102,349	0.8%	\$3,729,517,623	\$3,706,554,320	0.6%
Beer Consumption	482,576	490,543	-1.6%	5,627,137	5,852,797	-3.9%
Beer Wholesale	4,469,841	5,005,473	-10.7%	53,738,268	55,499,454	-3.2%
Cigarette	19,073,919	19,504,033	-2.2%	200,479,373	204,869,512	-2.1%
Distilled Spirits Case Sales	11,803	12,678	-6.9%	140,265	124,855	12.3%
Distilled Spirits Consumption	1,101,778	1,182,176	-6.8%	12,989,667	11,742,117	10.6%
Distilled Spirits Wholesale	3,436,353	3,692,009	-6.9%	40,094,969	35,557,600	12.8%
Insurance Premium	29,781,874	28,124,083	5.9%	130,010,260	125,902,535	3.3%
Pari-Mutuel	846,452	703,788	20.3%	6,052,911	4,271,906	41.7%
Race Track Admission	0	4,509	-100.0%	141,991	195,389	-27.3%
Sales and Use	286,867,260	284,242,930	0.9%	3,188,643,029	3,165,794,582	0.7%
Wine Consumption	248,137	259,301	-4.3%	2,818,737	2,864,121	-1.6%
Wine Wholesale	1,423,956	1,474,113	-3.4%	16,797,540	15,185,355	10.6%
Telecommunications Tax	5,497,348	5,699,615	-3.5%	52,373,556	59,234,356	-11.6%
Other Tobacco Products	1,800,020	1,707,172	5.4%	19,603,879	19,451,633	0.8%
Floor Stock Tax	0	(75)	---	6,040	8,108	-25.5%
License and Privilege	\$1,369,553	\$402,590	240.2%	\$107,214,712	\$110,148,666	-2.7%
Alc. Bev. License Suspension	18,550	45,024	-58.8%	327,603	447,975	-26.9%
Corporation License	871	(50,381)	---	7,143	83,408	-91.4%
Corporation Organization	0	0	---	971,452	101,145	860.5%
Occupational Licenses	48,198	37,996	26.9%	184,871	228,926	-19.2%
Race Track License	0	8,225	-100.0%	239,096	284,375	-15.9%
Bank Franchise Tax	1,250,366	280,610	345.6%	104,847,494	108,380,107	-3.3%
Driver License Fees	51,568	81,116	-36.4%	637,053	622,730	2.3%
Natural Resources	\$10,037,196	\$9,343,861	7.4%	\$119,670,088	\$139,974,887	-14.5%
Coal Severance	7,689,472	7,389,427	4.1%	92,770,070	113,361,279	-18.2%
Oil Production	435,160	353,894	23.0%	4,703,527	4,355,181	8.0%
Minerals Severance	1,220,167	1,250,696	-2.4%	15,458,532	16,058,853	-3.7%
Natural Gas Severance	692,396	349,845	97.9%	6,737,959	6,199,573	8.7%
Income	\$315,424,567	\$291,961,982	8.0%	\$4,541,463,328	\$4,418,126,689	2.8%
Corporation	(11,678,827)	1,692,526	---	330,670,172	364,912,713	-9.4%
Individual	300,278,259	284,317,339	5.6%	4,001,785,092	3,891,335,536	2.8%
Limited Liability Entity	26,825,135	5,952,117	350.7%	209,008,064	161,878,440	29.1%
Property	\$28,828,712	\$21,689,493	32.9%	\$584,227,692	\$560,706,996	4.2%
Building & Loan Association	520,141	573,341	-9.3%	535,513	561,460	-4.6%
General - Real	2,453,122	2,720,645	-9.8%	273,650,393	268,044,903	2.1%
General - Tangible	19,411,741	14,662,963	32.4%	232,882,003	226,857,610	2.7%
Omitted & Delinquent	2,831,420	2,826,266	0.2%	13,441,004	9,743,707	37.9%
Public Service	3,612,289	909,653	297.1%	62,045,811	53,902,466	15.1%
Other	0	(3,374)	---	1,672,968	1,596,850	4.8%
Inheritance Tax	\$4,439,372	\$4,604,040	-3.6%	\$40,294,835	\$46,425,696	-13.2%
Miscellaneous	1,918,409	2,118,435	-9.4%	22,720,948	22,571,880	0.7%
Legal Process	1,078,253	1,269,879	-15.1%	12,108,354	13,262,621	-8.7%
T. V. A. In Lieu Payments	830,072	848,556	-2.2%	10,520,104	9,271,255	13.5%
Other	10,084	0	---	92,490	38,005	143.4%
Nontax Receipts	\$22,303,574	\$23,322,592	-4.4%	\$286,372,231	\$287,009,072	-0.2%
Departmental Fees	2,103,221	2,056,681	2.3%	18,243,929	18,788,240	-2.9%
PSC Assessment Fee	0	110	-100.0%	13,032,139	10,869,373	19.9%
Fines & Forfeitures	1,464,759	1,802,823	-18.8%	17,834,840	19,559,804	-8.8%
Income on Investments	(436,016)	(33,628)	---	(1,787,781)	(744,325)	---
Lottery	20,500,000	20,000,000	2.5%	216,627,129	209,278,429	3.5%
Sale of NOx Credits	0	0	---	0	0	---
Miscellaneous	(1,328,391)	(503,394)	---	22,421,975	29,257,551	-23.4%
Redeposit of State Funds	\$209,630	\$235,806	-11.1%	\$7,932,015	\$5,329,721	48.8%

	<u>MAY</u>	<u>MAY</u>	<u>% Change</u>	<u>JULY THROUGH MAY</u>		<u>% Change</u>
	<u>2017</u>	<u>2016</u>		<u>FY 2017</u>	<u>FY 2016</u>	
TOTAL STATE ROAD FUND	\$138,692,935	\$118,592,535	16.9%	\$1,381,604,444	\$1,348,467,310	2.5%
Tax Receipts-	\$135,338,544	\$117,845,472	14.8%	\$1,359,531,970	\$1,328,370,052	2.3%
Sales and Gross Receipts	\$102,467,044	\$89,003,787	15.1%	\$1,146,087,201	\$1,117,553,079	2.6%
Motor Fuels Taxes	60,692,866	60,947,705	-0.4%	690,173,268	681,295,134	1.3%
Motor Vehicle Usage	41,774,178	28,056,082	48.9%	455,913,932	436,257,944	4.5%
License and Privilege	\$32,871,500	\$28,841,684	14.0%	\$213,444,769	\$210,816,973	1.2%
Motor Vehicles	14,694,880	11,108,554	32.3%	104,117,892	103,027,731	1.1%
Motor Vehicle Operators	1,299,002	1,323,311	-1.8%	14,732,503	14,942,932	-1.4%
Weight Distance	16,073,445	15,614,829	2.9%	82,382,354	80,488,693	2.4%
Truck Decal Fees	87,402	159,690	-45.3%	278,013	276,142	0.7%
Other Special Fees	716,771	635,301	12.8%	11,934,006	12,081,476	-1.2%
Nontax Receipts	\$2,875,732	\$733,452	292.1%	\$21,012,320	\$19,276,400	9.0%
Departmental Fees	2,315,737	690,248	235.5%	17,752,311	16,682,652	6.4%
In Lieu of Traffic Fines	33,841	34,500	-1.9%	337,315	387,375	-12.9%
Income on Investments	438,844	(84,357)	---	1,464,569	1,507,010	-2.8%
Miscellaneous	87,310	93,062	-6.2%	1,458,124	699,364	108.5%
Redeposit of State Funds	\$478,659	\$13,612	3416.4%	\$1,060,155	\$820,857	29.2%

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