



Office of State Budget Director

284 Capitol Annex, 702 Capitol Avenue
Frankfort, Kentucky 40601

Steven L. Beshear
Governor

(502) 564-7300
FAX: (502) 564-6684
Internet: osbd.ky.gov

Jane C. Driskell
State Budget Director

Governor's Office for Policy and Management
Governor's Office for Economic Analysis
Governor's Office for Policy Research

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Contact: Jane C. Driskell
Greg Harkenrider
502-564-7300

GENERAL FUND AND ROAD FUND RECEIPTS
FOR SEPTEMBER 2015
General Fund receipts rose 2.6 percent
Road Fund receipts fell 20.5 percent

FRANKFORT, KY (October 12, 2015) - State Budget Director Jane Driskell reported today that General Fund receipts rose 2.6 percent in September compared to last year. Total revenues for the month were \$945.0 million, compared to \$920.6 million during September 2014. The General Fund has grown 4.5 percent year-to-date (FY16).

Driskell noted that September receipts capped a strong first quarter of revenue growth. "Total General Fund revenues grew by \$103.2 million during the first quarter of FY16, a strong reinforcement that the \$165.4 million revenue surplus in FY15 will be sustainable. For the month of September, individual and corporation income tax collections accounted for \$25.4 million in new revenue. Income and sales taxes continue to be the engine of growth for Kentucky's fiscal economy. While sales tax grew by only 1.0 percent in September, year-to-date growth stands firm at a rate of 6.9 percent. Continued strength in these major taxes will provide a solid revenue platform in the upcoming budget cycle".

The official General Fund revenue estimate for FY16 calls for revenue to grow 1.0 percent compared to FY15 actual receipts. Based on September's results, General Fund revenues need only to remain flat for the remainder of the fiscal year to meet the current official estimate.

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Among the major accounts:

- Individual income taxes increased 4.9 percent as each of the principal components (withholding, net returns, fiduciary and estimated payments) increased. Year-to-date collections are up 6.0 percent.
- Sales tax revenues grew 1.0 percent in September and have increased 6.9 percent for the year. Growth in September was somewhat subdued due to the timing of distributions for economic development and tourism.
- Corporation income tax increased 5.9 percent for the month and has grown 11.5 percent in the first three months of the year.
- Cigarette taxes rose 2.9 percent and have increased 1.5 percent for the first three months of the fiscal year.
- Property taxes grew 6.6 percent in September and are up 4.9 percent for the year.
- Coal severance tax fell 20.9 percent. Receipts year-to-date are down 22.8 percent.
- Lottery revenues are unchanged from last year at \$18.5 million. For the first quarter, collections are up 2.9 percent.

Road Fund receipts fell 20.5 percent in September with revenues of \$110.0 million as a decline in motor fuels receipts continue to impede overall Road Fund growth. Motor fuels collections have declined sharply this fiscal year due to a drop in the tax rate. Motor vehicle usage tax receipts had been artificially high in the first two months of the fiscal year due to timing issues and September saw a reversal of those issues as collections fell 26.3 percent. The official Road Fund revenue estimate calls for a 2.1 percent increase in receipts for the entire fiscal year (FY16). Based on year-to-date collections, revenues must increase 5.8 percent for the remainder of the fiscal year to meet the estimate.

Among the accounts:

- Motor fuels fell 17.3 percent in September and have declined 16.1 percent for the year.
- Motor vehicle usage collections decreased 26.3 percent. Year-to-date collections are up 7.5 percent.
- License and privilege tax receipts fell 23.6 percent in September due to timing issues. For the first three months of the fiscal year, receipts are down 6.5 percent.

The Consensus Forecasting Group will meet October 13 as part of the process of establishing a revised official forecast for the General and Road funds for the next biennium.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>SEPTEMBER</u>			<u>JULY THROUGH SEPTEMBER</u>		
	<u>2015</u>	<u>2014</u>	<u>% Change</u>	<u>FY 2016</u>	<u>FY 2015</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$944,955,003	\$920,576,619	2.6%	\$2,401,629,510	\$2,298,442,089	4.5%
Tax Receipts	\$917,968,778	\$896,345,092	2.4%	\$2,330,423,702	\$2,215,365,811	5.2%
Sales and Gross Receipts	\$329,756,180	\$330,720,429	-0.3%	\$1,007,805,640	\$951,766,270	5.9%
Beer Consumption	497,295	552,406	-10.0%	1,814,258	1,703,057	6.5%
Beer Wholesale	4,874,812	5,346,792	-8.8%	17,487,598	16,191,083	8.0%
Cigarette	17,501,310	17,006,434	2.9%	58,098,297	57,261,379	1.5%
Distilled Spirits Case Sales	10,068	9,765	3.1%	34,627	32,077	7.9%
Distilled Spirits Consumption	944,993	923,719	2.3%	3,255,125	3,054,600	6.6%
Distilled Spirits Wholesale	2,763,182	2,569,886	7.5%	9,551,462	8,513,571	12.2%
Insurance Premium	29,992,404	33,708,472	-11.0%	30,230,841	34,025,646	-11.2%
Pari-Mutuel	272,714	258,990	5.3%	926,196	653,734	41.7%
Race Track Admission	0	0	---	111,140	74,316	49.6%
Sales and Use	264,169,951	261,597,016	1.0%	859,749,606	804,538,576	6.9%
Wine Consumption	222,646	216,070	3.0%	710,162	710,056	0.0%
Wine Wholesale	1,265,616	1,205,545	5.0%	4,008,872	3,757,048	6.7%
Telecommunications Tax	5,491,191	5,259,311	4.4%	16,393,290	15,693,787	4.5%
Other Tobacco Products	1,749,909	2,066,024	-15.3%	5,429,560	5,557,017	-2.3%
Floor Stock Tax	91	0	---	4,608	324	1322.6%
License and Privilege	\$44,395,394	\$49,031,283	-9.5%	\$91,190,943	\$105,067,862	-13.2%
Alc. Bev. License Suspension	50,650	72,950	-30.6%	121,725	127,080	-4.2%
Coal Severance	13,400,364	16,951,620	-20.9%	37,672,835	48,773,776	-22.8%
Corporation License	9,093	6,142	48.1%	47,203	85,047	-44.5%
Corporation Organization	0	556	-100.0%	0	5,486	-100.0%
Occupational Licenses	8,183	5,920	38.2%	53,636	43,024	24.7%
Oil Production	445,639	1,115,736	-60.1%	1,631,724	3,263,335	-50.0%
Race Track License	0	0	---	132,500	95,000	39.5%
Bank Franchise Tax	101,924	42,344	140.7%	(829,985)	(322,636)	---
Driver License Fees	56,049	54,770	2.3%	173,666	190,450	-8.8%
Minerals Severance	1,682,695	1,627,314	3.4%	5,488,597	4,500,247	22.0%
Natural Gas Severance	593,427	1,634,680	-63.7%	2,007,537	3,825,390	-47.5%
Limited Liability Entity	28,047,370	27,519,251	1.9%	44,691,505	44,481,663	0.5%
Income	\$525,052,463	\$499,627,712	5.1%	\$1,164,755,238	\$1,093,354,875	6.5%
Corporation	118,090,998	111,520,631	5.9%	124,863,217	112,005,594	11.5%
Individual	406,961,465	388,107,080	4.9%	1,039,892,021	981,349,281	6.0%
Property	\$12,556,985	\$11,777,638	6.6%	\$46,848,648	\$44,639,454	4.9%
Building & Loan Association	0	0	---	0	(498,150)	---
General - Real	(442,042)	(22,588)	---	(354,737)	(659,451)	---
General - Tangible	8,622,578	8,367,026	3.1%	28,167,592	26,473,143	6.4%
Omitted & Delinquent	2,952,746	3,319,399	-11.0%	712,466	4,287,674	-83.4%
Public Service	1,423,703	38,257	3621.4%	18,318,369	14,955,989	22.5%
Other	0	75,542	-100.0%	4,958	80,247	-93.8%
Inheritance	\$4,157,881	\$2,817,953	47.5%	\$13,749,815	\$14,960,629	-8.1%
Miscellaneous	\$2,049,874	\$2,370,078	-13.5%	\$6,073,419	\$5,576,721	8.9%
Legal Process	1,263,319	1,391,294	-9.2%	3,718,413	3,615,250	2.9%
T. V. A. In Lieu Payments	784,225	978,784	-19.9%	2,352,675	1,957,567	20.2%
Other	2,331	0	---	2,331	3,904	-40.3%
Nontax Receipts	\$26,599,207	\$23,999,473	10.8%	\$70,479,667	\$82,568,460	-14.6%
Departmental Fees	1,073,832	1,213,400	-11.5%	2,831,760	3,355,952	-15.6%
PSC Assessment Fee	1,391	250	456.5%	10,761,872	14,671,193	-26.6%
Fines & Forfeitures	1,844,054	1,873,077	-1.5%	5,598,233	5,703,192	-1.8%
Income on Investments	(72,539)	(56,408)	---	(165,406)	(155,509)	---
Lottery	18,500,000	18,500,000	0.0%	53,500,000	52,000,000	2.9%
Sale of NOx Credits	0	4,950	-100.0%	0	15,594	-100.0%
Miscellaneous	5,252,469	2,464,205	113.2%	(2,046,792)	6,978,038	---
Redeposit of State Funds	\$387,018	\$232,054	66.8%	\$726,140	\$507,819	43.0%

2. ROAD FUND REVENUE

	<u>SEPTEMBER</u>			<u>JULY THROUGH SEPTEMBER</u>		
	<u>2015</u>	<u>2014</u>	<u>% Change</u>	<u>FY 2016</u>	<u>FY 2015</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$109,969,876	\$138,296,802	-20.5%	\$371,068,910	\$404,783,554	-8.3%
Tax Receipts-	107,452,240	135,295,741	-20.6%	\$365,454,969	\$397,511,911	-8.1%
Sales and Gross Receipts	\$100,005,356	\$125,551,200	-20.3%	\$320,108,555	\$349,024,748	-8.3%
Motor Fuels Taxes	69,047,113	83,519,807	-17.3%	196,412,067	233,985,683	-16.1%
Motor Vehicle Usage	30,958,243	42,031,393	-26.3%	123,696,488	115,039,065	7.5%
License and Privilege	\$7,446,884	\$9,744,541	-23.6%	\$45,346,414	\$48,487,163	-6.5%
Motor Vehicles	4,779,663	7,432,974	-35.7%	18,673,778	22,430,251	-16.7%
Motor Vehicle Operators	1,407,318	1,356,799	3.7%	4,213,332	4,123,620	2.2%
Weight Distance	688,399	327,630	110.1%	20,623,080	20,013,402	3.0%
Truck Decal Fees	4,814	3,077	56.5%	30,180	19,387	55.7%
Other Special Fees	566,690	624,061	-9.2%	1,806,045	1,900,503	-5.0%
Nontax Receipts	\$2,299,075	\$1,057,524	117.4%	\$5,298,835	\$4,656,144	13.8%
Departmental Fees	1,941,644	1,106,780	75.4%	4,640,139	3,754,930	23.6%
In Lieu of Traffic Fines	31,817	35,616	-10.7%	104,039	121,910	-14.7%
Income on Investments	279,104	(84,855)	---	447,102	608,174	-26.5%
Miscellaneous	46,509	(16)	---	107,555	171,130	-37.2%
Redeposit of State Funds	\$218,562	\$1,943,537	-88.8%	\$315,105	\$2,615,499	-88.0%