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**GENERAL FUND RECEIPTS INCREASE**  
**ROAD FUND RECEIPTS DECREASE IN MARCH 2016**  
*General Fund receipts increased 10.1 percent*  
*Road Fund receipts decreased 7.4 percent*

**FRANKFORT, KY (April 11, 2016)** - The Office of State Budget Director reported today that March's General Fund receipts grew 10.1 percent compared to March of last year, an increase of \$80.2 million compared to last March. Total revenues for the month were \$870.1 million, compared to \$789.9 million during March 2015. Receipts have now grown 5.0 percent for the first nine months of FY16. March collections mark the eighth month in FY16 in which revenues have increased. The lone exception was November when revenues declined 3.9 percent. For the quarter, total General Fund collections increased 7.2 percent. Growth rates for the three quarters have been 4.5, 3.5 and 7.2 percent.

The Consensus Forecasting Group's official revenue estimate calls for 3.2 percent revenue growth for the 2016 fiscal year. To meet the estimate, receipts can decline 1.2 percent over the last three months of FY16.

Road Fund receipts for March totaled \$126.6 million, a 7.4 percent decrease compared to March 2015 levels. Year-to-date receipts for FY16 have decreased 5.5 percent.

State Budget Director John Chilton noted that growth in General Fund revenue continues to be robust, but ending the year with a revenue surplus is not a certainty.

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“Growth in General Fund revenue collections was broadly-based across the major taxes and that is a sign of a strong, healthy economy. However, the fourth quarter last year had exceptional growth of 8.6 percent, including the two largest monthly collection totals on record, which will create a formidable headwind for growth in receipts during the April through June period of 2016. As always, we will continue to monitor the situation and give an updated outlook as of the end of April.”

Among the major accounts:

- Sales and use tax receipts increased 8.7 percent for the month and have grown 6.3 percent year-to-date.
- Corporation income tax receipts grew 41.0 percent as a positive balance on declarations offset a decline in net returns. For the year, collections have increased 8.1 percent.
- Individual income tax collections grew 12.9 percent in March as all three of the primary components of the tax increased compared to last year. Additionally, refund payments have been slower this year as the Department of Revenue implements additional security and fraud analysis tools to protect taxpayers. Collections have grown 7.6 percent through the first nine months of FY16.
- Property tax collections grew 0.9 percent and have grown 2.6 percent year-to-date.
- Cigarette tax receipts increased 10.2 percent and have grown 3.1 percent year-to-date.
- Coal severance tax receipts reached a record low for the third consecutive month, declining 21.7 in March. Collections have decreased 29.4 percent through the first nine months of the fiscal year.

Road Fund receipts fell 7.4 percent in March 2016 with collections of \$126.6 million, \$10.2 million less than last March. Through the first nine months of FY16, receipts have decreased 5.5 percent. For the third quarter, total Road Fund collections fell 5.6 percent as revenue growth has declined for five consecutive quarters. Growth rates for the three quarters this year are -8.3, -2.3 and -5.6 percent. The official Road Fund revenue estimate calls for revenues to decline 5.3 percent for the fiscal year. Based on year-to-date tax collections, revenues can fall 4.7 percent for the remainder of FY16 and still meet the estimate. Among the accounts, motor fuels fell 3.2 percent due to a decline in the tax rate, motor vehicle usage revenue decreased 4.0 percent, and license and privilege receipts fell 20.1 percent.

KENTUCKY STATE GOVERNMENT REVENUE  
1. GENERAL FUND REVENUE

|                               | 2016                 | MARCH<br>2015        | % Change     | FY 2016                | JULY THROUGH MARCH<br>FY 2015 | % Change     |
|-------------------------------|----------------------|----------------------|--------------|------------------------|-------------------------------|--------------|
| <b>TOTAL GENERAL FUND</b>     | <b>\$870,117,908</b> | <b>\$789,949,466</b> | <b>10.1%</b> | <b>\$7,513,983,645</b> | <b>\$7,157,257,369</b>        | <b>5.0%</b>  |
| <b>Tax Receipts</b>           | <b>\$846,117,588</b> | <b>\$766,596,913</b> | <b>10.4%</b> | <b>\$7,267,636,303</b> | <b>\$6,904,267,855</b>        | <b>5.3%</b>  |
| Sales and Gross Receipts      | \$311,099,015        | \$289,215,038        | 7.6%         | \$2,999,623,166        | \$2,837,823,344               | 5.7%         |
| Beer Consumption              | 434,153              | 495,068              | -12.3%       | 4,759,132              | 4,525,323                     | 5.2%         |
| Beer Wholesale                | 3,630,399            | 3,997,028            | -9.2%        | 45,079,049             | 42,696,675                    | 5.6%         |
| Cigarette                     | 18,738,304           | 17,005,189           | 10.2%        | 166,891,077            | 161,885,453                   | 3.1%         |
| Distilled Spirits Case Sales  | 9,505                | 9,210                | 3.2%         | 105,358                | 98,970                        | 6.5%         |
| Distilled Spirits Consumption | 897,611              | 862,049              | 4.1%         | 9,899,406              | 9,292,295                     | 6.5%         |
| Distilled Spirits Wholesale   | 2,637,458            | 2,426,522            | 8.7%         | 29,673,669             | 26,924,594                    | 10.2%        |
| Insurance Premium             | 21,640,680           | 21,806,306           | -0.8%        | 97,355,660             | 99,708,687                    | -2.4%        |
| Pari-Mutuel                   | 537,132              | 256,365              | 109.5%       | 2,771,728              | 2,042,093                     | 35.7%        |
| Race Track Admission          | 0                    | 0                    | ---          | 190,880                | 148,898                       | 28.2%        |
| Sales and Use                 | 254,175,132          | 233,730,714          | 8.7%         | 2,563,654,091          | 2,412,841,105                 | 6.3%         |
| Wine Consumption              | 219,114              | 227,781              | -3.8%        | 2,428,321              | 2,211,205                     | 9.8%         |
| Wine Wholesale                | 1,231,723            | 1,240,053            | -0.7%        | 12,752,229             | 12,274,284                    | 3.9%         |
| Telecommunications Tax        | 5,295,321            | 5,286,019            | 0.2%         | 48,335,299             | 47,194,517                    | 2.4%         |
| Other Tobacco Products        | 1,651,166            | 1,872,410            | -11.8%       | 15,719,361             | 15,973,988                    | -1.6%        |
| Floor Stock Tax               | 1,316                | 324                  | 305.9%       | 7,906                  | 5,255                         | 50.4%        |
| License and Privilege         | \$99,773,830         | \$92,053,133         | 8.4%         | \$108,907,085          | \$99,428,885                  | 9.5%         |
| Alc. Bev. License Suspension  | 36,150               | 31,817               | 13.6%        | 373,501                | 270,972                       | 37.8%        |
| Corporation License           | 70,226               | 70,098               | 0.2%         | 143,587                | 378,609                       | -62.1%       |
| Corporation Organization      | 0                    | 0                    | ---          | 91,685                 | 68,291                        | 34.3%        |
| Occupational Licenses         | 32,256               | 22,101               | 45.9%        | 137,427                | 108,634                       | 26.5%        |
| Race Track License            | 0                    | 0                    | ---          | 276,150                | 241,291                       | 14.4%        |
| Bank Franchise Tax            | 99,579,468           | 91,868,671           | 8.4%         | 107,403,136            | 97,857,891                    | 9.8%         |
| Driver License Fees           | 55,730               | 60,446               | -7.8%        | 481,599                | 503,197                       | -4.3%        |
| Natural Resources             | \$10,001,285         | \$13,369,633         | -25.2%       | \$120,273,486          | \$170,715,890                 | -29.5%       |
| Coal Severance                | 8,585,689            | 10,959,759           | -21.7%       | 97,573,085             | 138,170,965                   | -29.4%       |
| Oil Production                | 246,058              | 365,183              | -32.6%       | 3,673,221              | 8,158,648                     | -55.0%       |
| Minerals Severance            | 854,250              | 816,426              | 4.6%         | 13,640,809             | 11,374,395                    | 19.9%        |
| Natural Gas Severance         | 315,289              | 1,228,264            | -74.3%       | 5,386,371              | 13,011,882                    | -58.6%       |
| Income                        | \$394,114,940        | \$340,888,966        | 15.6%        | \$3,465,001,249        | \$3,236,815,884               | 7.0%         |
| Corporation                   | 75,399,649           | 53,466,203           | 41.0%        | 319,540,982            | 295,565,549                   | 8.1%         |
| Individual                    | 297,732,437          | 263,707,275          | 12.9%        | 3,029,783,196          | 2,816,126,589                 | 7.6%         |
| Limited Liability Entity      | 20,982,855           | 23,715,488           | -11.5%       | 115,677,071            | 125,123,746                   | -7.5%        |
| Property                      | \$25,853,273         | \$25,628,214         | 0.9%         | \$517,784,578          | \$504,720,865                 | 2.6%         |
| Building & Loan Association   | 0                    | 0                    | ---          | (11,881)               | (498,150)                     | ---          |
| General - Real                | 3,571,506            | 3,963,612            | -9.9%        | 262,503,007            | 253,560,854                   | 3.5%         |
| General - Tangible            | 18,160,160           | 15,441,755           | 17.6%        | 190,096,125            | 183,824,586                   | 3.4%         |
| Omitted & Delinquent          | 3,481,511            | 4,452,530            | -21.8%       | 11,448,999             | 13,212,998                    | -13.4%       |
| Public Service                | 343,565              | 1,474,965            | -76.7%       | 52,207,623             | 53,133,699                    | -1.7%        |
| Other                         | 296,531              | 295,353              | 0.4%         | 1,540,705              | 1,486,877                     | 3.6%         |
| Inheritance Tax               | \$2,901,040          | \$3,270,013          | -11.3%       | \$37,374,919           | \$36,152,635                  | 3.4%         |
| Miscellaneous                 | \$2,374,204          | \$2,171,916          | 9.3%         | \$18,671,820           | \$18,610,353                  | 0.3%         |
| Legal Process                 | 1,515,442            | 1,383,777            | 9.5%         | 11,067,332             | 11,477,737                    | -3.6%        |
| T. V. A. In Lieu Payments     | 848,556              | 784,225              | 8.2%         | 7,574,143              | 7,099,757                     | 6.7%         |
| Other                         | 10,207               | 3,915                | 160.7%       | 30,345                 | 32,858                        | -7.6%        |
| <b>Nontax Receipts</b>        | <b>\$23,222,185</b>  | <b>\$23,302,457</b>  | <b>-0.3%</b> | <b>\$241,738,956</b>   | <b>\$251,758,527</b>          | <b>-4.0%</b> |
| Departmental Fees             | 2,222,395            | 2,869,340            | -22.5%       | 14,274,542             | 14,175,624                    | 0.7%         |
| PSC Assessment Fee            | 415                  | (1,343)              | ---          | 10,868,823             | 14,696,059                    | -26.0%       |
| Fines & Forfeitures           | 2,207,772            | 2,223,753            | -0.7%        | 15,732,538             | 16,954,458                    | -7.2%        |
| Income on Investments         | (58,861)             | (67,903)             | ---          | (639,239)              | (583,814)                     | ---          |
| Lottery                       | 19,000,000           | 18,000,000           | 5.6%         | 169,278,429            | 165,000,000                   | 2.6%         |
| Sale of NOx Credits           | 0                    | 0                    | ---          | 0                      | 27,594                        | -100.0%      |
| Miscellaneous                 | (149,536)            | 278,610              | ---          | 32,223,864             | 41,488,606                    | -22.3%       |
| Redeposit of State Funds      | \$778,135            | \$50,096             | 1453.3%      | \$4,608,385            | \$1,230,987                   | 274.4%       |

|                              | <u>2016</u>          | <u>MARCH</u><br><u>2015</u> | <u>% Change</u> | <u>FY 2016</u>         | <u>JULY THROUGH MARCH</u><br><u>FY 2015</u> | <u>% Change</u> |
|------------------------------|----------------------|-----------------------------|-----------------|------------------------|---|-----------------|
| <b>TOTAL STATE ROAD FUND</b> | <b>\$126,648,959</b> | <b>\$136,785,969</b>        | <b>-7.4%</b>    | <b>\$1,099,451,804</b> | <b>\$1,163,143,605</b>                      | <b>-5.5%</b>    |
| Tax Receipts-                | \$124,808,608        | \$134,046,610               | -6.9%           | \$1,081,767,933        | \$1,143,158,922                             | -5.4%           |
| Sales and Gross Receipts     | \$102,986,094        | \$106,746,976               | -3.5%           | \$918,285,630          | \$985,216,225                               | -6.8%           |
| Motor Fuels Taxes            | 60,213,895           | 62,186,182                  | -3.2%           | 557,439,790            | 661,989,899                                 | -15.8%          |
| Motor Vehicle Usage          | 42,772,199           | 44,560,794                  | -4.0%           | 360,845,840            | 323,226,326                                 | 11.6%           |
| License and Privilege        | \$21,822,514         | \$27,299,634                | -20.1%          | \$163,482,303          | \$157,942,696                               | 3.5%            |
| Motor Vehicles               | 18,838,376           | 19,707,792                  | -4.4%           | 78,953,687             | 75,216,043                                  | 5.0%            |
| Motor Vehicle Operators      | 1,451,080            | 1,167,242                   | 24.3%           | 12,176,855             | 11,977,179                                  | 1.7%            |
| Weight Distance              | 774,995              | 5,728,117                   | -86.5%          | 61,513,964             | 60,266,368                                  | 2.1%            |
| Truck Decal Fees             | (120)                | 350                         | ---             | 39,300                 | 38,748                                      | 1.4%            |
| Other Special Fees           | 758,183              | 696,133                     | 8.9%            | 10,798,496             | 10,444,358                                  | 3.4%            |
| Nontax Receipts              | \$2,198,360          | \$2,672,482                 | -17.7%          | \$17,100,077           | \$16,664,864                                | 2.6%            |
| Departmental Fees            | 1,694,437            | 2,006,358                   | -15.5%          | 14,737,786             | 12,991,690                                  | 13.4%           |
| In Lieu of Traffic Fines     | 37,295               | 34,823                      | 7.1%            | 311,279                | 354,004                                     | -12.1%          |
| Income on Investments        | 364,619              | 600,398                     | -39.3%          | 1,475,155              | 2,575,384                                   | -42.7%          |
| Miscellaneous                | 102,009              | 30,903                      | 230.1%          | 575,857                | 743,787                                     | -22.6%          |
| Redeposit of State Funds     | (\$358,008)          | \$66,877                    | ---             | \$583,794              | \$3,319,819                                 | -82.4%          |

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