

COMMONWEALTH OF KENTUCKY

# Quarterly Economic & Revenue Report

Fourth Quarter Fiscal Year 2024  
Annual Edition



GOVERNOR'S OFFICE FOR ECONOMIC ANALYSIS

OFFICE OF STATE BUDGET DIRECTOR

TEAM  
KENTUCKY®



**Office of State Budget Director**

200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, Kentucky 40622

**Andy Beshear**  
Governor

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

**John Hicks**  
State Budget Director

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

August 2, 2024

The Honorable Andy Beshear  
Governor  
Commonwealth of Kentucky  
State Capitol Building  
Frankfort, Kentucky 40601

Mr. Jay Hartz, Director  
Legislative Research Commission  
Room 300, State Capitol  
Frankfort, Kentucky 40601

Ms. Katie Comstock  
Administrative Office of the Courts  
1001 Vandalay Drive  
Frankfort, Kentucky 40601

Dear Honorable Governor Beshear, Mr. Hartz and Ms. Comstock:

In accordance with KRS 48.400(2), the Office of State Budget Director (OSBD) is directed to report the actual revenue receipts from the just-concluded quarter, as well as the projected revenue receipts for the next three (3) fiscal quarters. In furtherance of this directive, OSBD submits this *Quarterly Economic and Revenue Report* for the fourth quarter of Fiscal Year 2024 (FY24) to the three branches of government.

This report includes the actual revenue receipts for the fourth quarter, the annual review of FY24, and an unofficial forecast for the first three quarters of FY25 (the forecast horizon). The report also provides updates on the national and Kentucky economic landscapes.

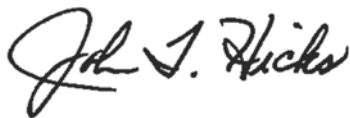


A final compilation of the General Fund receipts shows that total revenues finished FY24 with a \$1.4 billion revenue surplus compared to the budget estimate which was enacted during the 2022 Regular Session with HB 1. Collections for FY24 were \$15,571.3 million. Additionally, General Fund revenues exceeded the revised official revenue estimates by \$16.8 million, generating the most accurate revenue forecast since Kentucky's consensus forecasting process began in 1996. Road Fund receipts for the year were \$1,874.6 million, an increase of 6.9 percent compared to FY23. Road Fund collections were within 0.4 percent of the official estimate and were \$195 million more than the original estimate used when the FY24 budget was set in the 2022 legislative session.

General Fund receipts are expected to decline 5.2 percent during the three-quarter forecasting horizon. A large projected decline in the individual income tax is expected to be only partially offset by positive growth in the sales tax, major business taxes, property taxes, and the combination of revenue accounts listed as "Other". Road Fund revenues are forecasted to decline 1.5 percent during the first three quarters of FY25. Motor fuels taxes are expected to decrease by 3.6 percent due to a decline in the motor fuels tax rate and a drop in motor fuel consumption. Motor vehicle usage tax revenues, on the other hand, are projected to increase 1.1 percent over the forecast horizon as spending on new light vehicles levels off.

This office will continue to closely monitor Kentucky's economic and revenue conditions and will provide updates at the appropriate times.

Sincerely,

A handwritten signature in black ink that reads "John T. Hicks". The signature is written in a cursive, flowing style.

John T. Hicks  
State Budget Director

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# EXECUTIVE SUMMARY

In accordance with KRS 48.400(2), the Office of State Budget Director (OSBD) is directed to report on the actual revenue receipts from the just-concluded quarter, as well as preparing projected revenue receipts for the next three (3) fiscal quarters. In fulfillment of this mandate, OSBD submits this *Quarterly Economic and Revenue Report* for the fourth quarter of Fiscal Year 2024 (FY24). This report includes the actual revenue receipts for the fourth quarter, an annual review of FY24, and an unofficial forecast for the first three quarters of FY25 (the forecast horizon). The report also provides updates on the national and Kentucky economic landscapes for the most recently completed quarter and an economic outlook for the forecasting horizon. Appendices at the end of the report show General Fund and Road Fund receipts for the last 10 years.

A final compilation of the General Fund receipts shows that total revenues finished FY24 with a \$1.4 billion revenue surplus compared to the budget estimate which was enacted during the 2022 Regular Session with HB 1. See Table A. The FY24 General Fund revenue surplus is the largest revenue surplus in state history, surpassing the excess revenues collected in FY21, FY22, and FY23. The strength of the Kentucky economy, especially more jobs, higher wages and salaries, and continued business profits, propelled General Fund receipts to a 14<sup>th</sup> consecutive year of growth and the fourth consecutive year in which there was a budget surplus greater than \$1 billion. Evidence of this strength is shown in Table A, showing that all three of the major tax types exceeded the original budgeted estimates by a wide margin.

**Table A**  
**FY24 General Fund Revenue**  
**Budgeted Forecast Enacted in 2022**  
**\$ millions**

	FY24		FY24		FY24	
	Full Year		Official		Budgeted	
	Actual	% Chg	Estimate	\$ Diff	Estimate	\$ Diff
Individual Income	5,807.5	-0.6	5,778.3	29.2	5,249.3	558.2
Sales & Use	5,802.6	4.1	5,828.4	-25.8	5,625.4	177.2
Corp. Inc. & LLET	1,249.1	2.3	1,277.4	-28.3	963.8	285.4
Property	808.2	4.4	808.6	-0.4	735.9	72.3
Lottery	343.6	2.0	343.6	0.0	343.6	0.0
Cigarettes	270.5	-9.6	272.2	-1.7	305.7	-35.2
Coal Severance	77.8	-19.4	84.9	-7.1	75.2	2.6
Other	1,212.0	21.4	1,161.2	50.8	852.1	359.9
<b>General Fund</b>	<b>15,571.3</b>	<b>2.8</b>	<b>15,554.5</b>	<b>16.8</b>	<b>14,151.0</b>	<b>1,420.3</b>

Table A also depicts the FY24 actual revenue performance in comparison to the latest official estimates. The official estimate was determined by the Consensus Forecasting Group (CFG) at the December 2023 meeting, as adjusted by the legislative actions of the 2024 Regular Session of the General Assembly. The overall General Fund estimate was on-target with the FY24 actual revenues – within \$16.8 million on an estimate of \$15,554.5 million. The sales tax and individual income tax combined to contribute \$11,610.1 million in receipts in FY24, making up 74.6 percent of total General Fund revenues. Compared to the combined official estimate of \$11,606.7 million for the two taxes, actual revenues narrowly exceeded the estimate by just \$3.4 million. From its inception in 1960 until 1986, the sales and use tax was the most highest producing tax in the General Fund. In 1986, it was surpassed by the individual income tax -- until FY24, when the sales and use tax topped the individual income tax to once again become the most productive General Fund revenue source.

### **Projected General Fund Growth for the First Three Quarters of FY25**

General Fund receipts are expected to decline 5.2 percent during the three-quarter forecasting horizon. Due primarily to a lower individual income tax rate in FY25, a large projected decline is expected to be partially offset by growth in the sales tax, major business taxes, property taxes, and the combination of revenues listed as “Other”.

Table 1 displays the interim General Fund outlook. When the pass-through entity tax was created in 2023, the new account was placed under the individual income tax due to the refundable credit that flows between the two taxes. A 19.4 percent, or \$810.7 million, decline in the individual income tax is expected over the three quarters of FY25 in the forecasting horizon. When the CFG met in December 2023, the expectation was that 20 percent of the FY24 pass-through entity tax collections would create credits that would be claimed against the individual income tax in FY25. While the exact amount of the credits that were transferred into FY25 is uncertain, a significant percentage of the pass-through entity tax receipts came from estimated payments received in January through June of 2024 – payments that will lower non-resident withholding, declarations, and net returns portions of the individual income tax in FY25.

### **Projected Road Fund Growth for the First Three Quarters of FY25**

Fiscal Year 2024 Road Fund receipts were \$1,874.6 million, an increase of \$121.2 million over prior year totals. Road Fund receipts were \$195 million more than the original estimate used when the FY24 budget was enacted during the 2022 Regular Session. The motor fuels and motor vehicle usage taxes accounted for \$117.8 million of the increase in revenues. Year-end revenues were \$7.1 million below the official estimate. Looking ahead, Road Fund revenues are forecasted to decline 1.5 percent during the first three quarters of FY25. Motor fuels taxes, the largest Road Fund account, are expected to decrease by 3.6 percent due to a 2.3 cents-per-gallon decline

in the motor fuels tax rate and a drop in motor fuels consumption. Motor vehicle usage tax revenues are projected to increase 1.1 percent over the forecast horizon. In addition to the motor fuels taxes, weight distance, income on investments, and “Other” receipts are forecasted to decline. The remaining accounts are expected to increase moderately, with growth rates ranging from 0.6 percent to 3.7 percent.

### **Summary of Projected Major Economic Factors**

The US national outlook presented in Tables 3 and 4 was prepared using the S&P Global June 2024 control economic forecast. According to the Conference Board Consumer Confidence Index, US Consumer Confidence weakened slightly in June. While inflation is expected to remain muted in the months ahead, consumer sentiment continues to be adversely affected by elevated prices, especially for food and groceries. The outlook for the CPI for all goods calls for a 3.0 percent rate of inflation over the three-quarter forecast. Inflation has hovered in a relatively narrow band between 3.0 percent and 3.7 percent since June of 2023.

Real GDP is expected to increase 1.8 percent in the first three quarters of FY25 compared to the same quarters in FY24. Adjacent-quarter growth is anticipated to soften to 0.4 percent in each quarter of the forecasting horizon after posting growth of 1.2, 0.8, 0.3, and 0.5 percent, respectively for the four quarters of FY24. While real GDP growth is anticipated to cool through March of 2025, overall, the US economic outlook remains positive.

US personal income is expected to increase 5.2 percent in the first three quarters of FY25. The wages and salaries component is anticipated to continue underpinning personal income growth with a 5.0 percent increase over the nine-month outlook. The largest component of US personal income is US wages and salaries, accounting for roughly 51 percent of the total.

Kentucky’s employment landscape is shaped heavily by a strong automotive, aerospace, and primary metal manufacturing presence. Manufacturing employment continues to be a driving force behind Kentucky's economic success.

Kentuckians’ personal income is poised to grow 4.8 percent over the forecast horizon, roughly on par with US personal income growth. The anticipated personal income growth is driven by strong growth in wages and salaries, the largest component of Kentucky personal income. Kentucky wages and salary income is forecasted to increase 4.7 percent in the first three quarters of FY25, compared to the same period one year prior.

## **Summary of General Fund Receipts from the Fourth Quarter of FY24**

The General Fund enjoyed solid growth over the first nine months of FY24; however, receipts were flat in the fourth quarter. The revenue slowdown was largely broad-based as all the major accounts fell or had only minimal growth with the exception being the major business taxes. Fourth quarter revenues totaled \$4,296.8 million, \$1.4 million less than what was collected in FY23.

General Fund receipts once again outpaced prior year collections, and for the fourth consecutive year there was a revenue surplus greater than \$1 billion. Collections for FY24 were \$15,571.3 million, which is \$1.4 billion more than the original budgeted estimate prepared in 2022. Additionally, General Fund revenues exceeded the revised official revenue estimates by \$16.8 million, generating the most accurate revenue forecast since Kentucky's consensus forecasting process began in 1996.

## **Summary of Road Fund Receipts for the Fourth Quarter of FY24**

Road Fund receipts in both the fourth quarter and for the fiscal year reached all-time highs. Motor fuels receipts accounted for the majority of the gains with motor vehicle usage collections increasing by a much smaller amount. Road Fund revenues in the fourth quarter were 5.8 percent higher than the fourth quarter of FY23, or \$27.9 million greater than what was collected in FY23. Revenues grew sharply in the first half of FY24, increasing 8.8 percent, before easing in the third quarter and picking up in the final three months of the year. Receipts for the year were \$1,874.6 million, an increase of 6.9 percent compared to FY23 and were within 0.4 percent of the official revenue estimate. Growth rates for the four quarters were 10.2, 7.4, 4.5, and 5.8 percent, respectively.

## **Summary of the Economy for the Fourth Quarter of FY24**

Real GDP grew by 2.9 percent in the fourth quarter of FY24 over the fourth quarter of FY23. On an adjacent-quarter basis, growth has tapered over the four quarters of FY24. The large majority of the growth occurred in real consumption and real investment. US non-farm employment grew by 1.8 percent in the fourth quarter of FY24. US educational services employment grew the fastest in the fourth quarter of FY24 with 4.3 percent growth. US personal income grew by 4.7 percent in the fourth quarter of FY24. Much of this is caused by inflation, as the US personal income data is not adjusted for inflation and inflation is still elevated. US wages and salaries income grew the fastest in the fourth quarter of FY24 with 5.0 percent growth.



Kentucky non-farm employment grew by 1.0 percent in the fourth quarter of FY24. This is the 16th consecutive quarter of adjacent-quarter growth in Kentucky non-farm employment. The fastest growing industry in the fourth quarter was mining employment, which grew 6.1 percent. Six of the 11 supersectors grew in the fourth quarter of FY24 over the fourth quarter of FY23. Kentucky personal income grew by 5.4 percent in the fourth quarter of FY24. Kentucky wages and salaries income was the fastest growing component of personal income with 7.1 percent growth.

# REVENUE & ECONOMIC OUTLOOK

## GENERAL FUND

The Interim Outlook displays unofficial estimates prepared pursuant to KRS 48.400(2). Forecasted revenues presented in Table 1 were projected using the June 2024 “control scenario” economic forecast from both S&P Global and the Kentucky MAK model as the primary inputs. S&P Global has placed a 55 percent probability on their "control scenario" as being the most likely economic outcome, relative to the pessimistic (25 percent) and optimistic (20 percent) scenarios. All estimates in this outlook extend from the first quarter of FY25 through the third quarter of FY25 (the forecasting horizon).

The latest official estimates listed in Table 1 are from the December 2023 meeting of the state Consensus Forecasting Group, as revised by actions from the 2024 Regular Session of the General Assembly. Table A in the Executive Summary also contains a comparison between FY24 actual General Fund revenues, the official estimate, and the estimate used to formulate the FY22-FY24 biennial budget. With FY24 General Fund actual revenues now compiled, receipts finished the year with a \$1.4 billion revenue surplus compared to the budget estimate enacted by the 2022 Regular Session for the biennial budget. The strength of the Kentucky economy, especially more jobs, higher wages and salaries, and continued business profits, propelled General Fund receipts to a 14<sup>th</sup> consecutive year of growth and the fourth consecutive year in which there was a budget surplus greater than \$1 billion.

Total General Fund revenues were flat in the fourth quarter of FY24 after posting growth in 15 of the previous 16 quarters. Receipts climbed at a 3.9 percent clip through the first three quarters of the year before the reduction in the individual income tax rate began to fully impact total collections. The tax receipts portion of total revenues in FY24 rose 1.8 percent in comparison to the 2.8 percent total General Fund growth rate, a clear indication that General Fund total revenues were helped by some non-tax receipts – including interest on investments which ballooned up to \$300.2 million in FY24 from an already-lofty perch of \$150.5 million in FY23.

General Fund receipts are expected to fall 5.2 percent during the three-quarter forecasting horizon. A large projected decline in the individual income tax is expected to be only partially offset by positive growth in the sales tax, major business taxes, property taxes, and the combination of revenues listed as “Other”. All of the major tax accounts are forecasted to post growth with the exception of the individual income tax, coal severance tax, and cigarette taxes.

**Individual income tax** receipts fell 0.6 percent in FY24. The rate of decline would have been larger but for the \$791.9 million received in the pass-through entity tax. This annual decline in FY24 was the direct result of reducing the individual income tax from 4.5 percent to 4.0 percent, an 11.1 percent rate reduction effective January 1, 2024. The tax rate reduction effectively lowered the withholding and declaration payment components of the individual income tax. Despite the double-digit drop in the rate, withholding fell only 6.5 percent. Higher wage and salary income subject to withholding helped buffer the decline in the tax rate.

Table 1 displays the outlook for the individual income tax. A 19.4 percent, or \$810.7 million, decline is expected over the three quarters of FY25 forecast horizon, despite the tax rate remaining at 4.0 percent for tax year 2025. The sharp fall in individual income tax receipts is expected to hit all the major accounts within the tax, including withholding, net returns, estimated payments, and the pass-through entity tax. When the CFG met before the 2024 Regular Session of the General Assembly, the expectation was that 20 percent of the FY24 pass-through entity tax credits would be claimed in FY25. While the exact amount of the credits to be transferred into FY25 is uncertain, over \$400 million of the \$791.9 million in pass-through entity tax collections was received in the second half of FY24. A significant percentage of those pass-through entity tax receipts came from estimated payments received in January through June of 2024 – payments that will lower non-resident withholding, declarations, and net returns portions of the individual income tax in FY25.

Following three consecutive years in which **sales tax** receipts posted double-digit growth, collections rose 4.1 percent in FY24. The remarkable run for the sales tax in FY21 through FY23 was unprecedented in Kentucky revenue history. While a strong consumer sector certainly explains a large portion of the recent surge in the sales tax, broadening the sales tax base to include additional services in 2019 and 2023 also helped to stimulate receipts. Sales and use tax revenues were flat in the fourth quarter of FY24. Collections are expected to grow during the forecasting horizon, albeit at a slower rate than recent years. This interim forecast calls for a 2.7 percent improvement during the first three quarters of FY25 compared to FY24. Sales tax receipts received in the same three-quarter span in FY24 grew 5.5 percent with total collections of \$4,335.0 million, a formidable barrier to FY25 growth.

Combined **corporation income tax and limited liability entity tax (LLET)** collections grew at a pace of 2.3 percent in FY24 with total receipts equaling \$1,249.1 million. Despite posting modest growth in FY24, the level of collections was high given that major business taxes have surged 38.1, 34.4, and 3.0 percent since FY21. This period of swift growth has lifted the combined business taxes from \$639.2 million in FY20 to \$1,249.1 million in FY24, nearly a doubling of collections. The corporation income tax and LLET are combined and estimated together due to a credit that flows from the LLET back to the income tax. Double-digit growth of 16.1 percent is anticipated in the first three quarters of FY25. Strong expected corporate profits are the driving force behind the forecasted increase. Since fourth quarter receipts of \$603.0 million in FY24 made up 48.3 percent of total FY24 collections, it should not

be assumed that the forecast for full year FY25 will also grow at 16.1 percent since the fourth quarter lies beyond the forecasting horizon and it will also be a large share of annual receipts in FY25.

**Property tax** receipts displayed sustained strength in FY24, increasing 4.4 percent following 7.0 percent growth in FY23. Real property, the largest account within the property taxes, set the pace by increasing 6.6 percent in FY24. Tangible property and motor vehicles showed only fractional improvement, growing 0.2 and 0.5 percent, respectively. The interim forecast calls for property tax growth to moderate during the forecasting horizon. Property taxes are expected to experience a 2.1 percent increase over FY24 levels, slightly below the 10-year average rate of growth. Real property is expected to continue to outperform the other property tax accounts but cool from the 6.6 percent growth experienced in FY24 due to a reduction of the state real property tax rate from 11.4 cents per \$100 in valuations for 2023 to 10.9 cents per \$100 in valuations for 2024. Tangible and motor vehicle property are expected to improve with growth between one and two percent. Unlike combined business taxes that are heavily weighted to the fourth quarter, the property tax set of accounts receives approximately 10 percent of annual receipts in the fourth quarter.

Dividend payments from the **Kentucky Lottery** have continued to grow despite the maturity of the state lottery and the growing number of alternative sources of recreational gaming. General Fund payments totaled \$343.6 million, up from the \$337.0 million received in the General Fund in FY23. Including the dividend payments that were required to be diverted into a separate account at the direction of the budget bill, total lottery dividend payments were \$370.3 million in FY23 and \$392.5 million in FY24. This interim forecast calls for a 0.9 percent increase in General Fund lottery payments during the forecasting horizon.

Receipts from **cigarette taxes** continued to fall in FY24, plunging by 9.6 percent after declining 7.8 percent in FY23. Cigarette taxes revenues grew 0.4 percent in FY20 immediately following the tax rate increase from 60 cents per pack to \$1.10 which was fully implemented in FY19. Since then, cigarette tax collections have fallen each year, with the rate of decline increasing to 1.4, 7.3, 7.8, and 9.6 percent from FY21 through FY24. The interim outlook forecasts a further decline in cigarette taxes with an 8.7 percent expected decrease during the forecasting horizon.

Before FY24, **coal severance tax** revenues experienced a mini resurgence. Receipts grew from \$56.1 million in FY21 to \$96.6 million in FY23, increasing by 26.0 percent and 36.7 percent over the two-year span. Spot prices for coal had risen sharply during that time as the price of substitute sources of energy, like oil and natural gas, have also fluctuated to the upside. In FY24, the coal severance tax fell 19.4 percent with collections of \$77.8 million. While severed tons fell between FY23 and FY24, the coal severance tax losses were largely a price phenomenon. Further moderation is expected over the forecasting horizon with a 9.2 percent projected decline.

The “**Other**” category contains 60 smaller accounts which make up the remainder of the General Fund. Insurance premiums tax, alcohol taxes, telecommunication taxes, and inheritance tax receipts are the four largest ongoing accounts in the “Other” category forecast. Income on investments, while not a perennial source of significant income, has emerged since FY23 as a legitimate contributor of General Fund revenue. Receipts of \$150.5 million in FY23 were followed by investment income earnings of \$300.2 million in FY24. The dramatic increase in income on investments stems from prior year surpluses that were deposited into the State’s “Rainy Day Fund”. That fund is invested in a short-term pool that have benefited from increased interest rates on short-term investment instruments.

The “Other” accounts totaled \$1,212.0 million in FY24 to record growth of 21.4 percent. In addition to income on investments, the recently enacted ridesharing tax has exceeded earlier expectations with FY24 annual revenues of \$41.3 million. Looking forward to the forecasting horizon, “Other” receipts are projected to increase by 1.6 percent. Growth in the perennial sources of revenue is expected, but the torrid growth in income on investments is expected to mitigate.

**Table 1**  
**General Fund Interim Outlook**  
**\$ millions**

	FY24				FY24		FY25	
	Q4		Full Year		Official		Q1-Q3	
	Actual	% Chg	Estimate	% Chg	Estimate	\$ Diff	Estimate	% Chg
Individual Income	1,626.5	-6.6	5,807.5	-0.6	5,778.3	29.2	3,370.3	-19.4
Sales & Use	1,467.5	0.0	5,802.6	4.1	5,828.4	-25.8	4,452.3	2.7
Corp. Inc. & LLET	603.0	15.5	1,249.1	2.3	1,277.4	-28.3	749.9	16.1
Property	81.1	3.7	808.2	4.4	808.6	-0.4	742.6	2.1
Lottery	84.0	-6.3	343.6	2.0	343.6	0.0	262.0	0.9
Cigarettes	69.3	-8.9	270.5	-9.6	272.2	-1.7	183.6	-8.7
Coal Severance	19.0	-15.9	77.8	-19.4	84.9	-7.1	53.4	-9.2
Other	346.2	14.8	1,212.0	21.4	1,161.2	50.8	879.3	1.6
<b>General Fund</b>	<b>4,296.8</b>	<b>0.0</b>	<b>15,571.3</b>	<b>2.8</b>	<b>15,554.5</b>	<b>16.8</b>	<b>10,693.3</b>	<b>-5.2</b>

## ROAD FUND

Road Fund receipts rose 5.8 percent in the fourth quarter of FY24 after growing 10.2 percent, 7.4 percent, and 4.5 percent in the preceding three quarters. For the year, total collections were \$1,874.6 million, an increase of \$121.2 million over prior year totals. The motor fuels and motor vehicle usage taxes accounted for \$117.8 million of the growth. Of the major accounts, only motor vehicle license and weight distance collections were lower than FY23 totals. Year-end revenues were \$7.1 million below the official estimate for FY24.

Looking ahead, Road Fund revenues are forecasted to decline over the first three quarters of FY25. Motor fuels taxes are projected to account for most of the drop due to a decline in the tax rate. In addition to the motor fuels taxes, weight distance, income on investments and “Other” receipts are forecasted to fall. The remaining accounts are expected to increase only moderately, with growth rates ranging from 0.6 percent to 3.7 percent.

Motor fuels tax receipts are forecasted to decline 3.6 percent in the first nine months of FY25 due to a 2.3 cent per gallon drop in the tax rate, a 9.7 percent reduction. The decrease is due to a decline in the average wholesale price (AWP) of gasoline during FY24. The gasoline excise tax rate is calculated annually as 9 percent of the AWP and will drop from 23.7 cents to 21.4 cents per gallon. In addition to the rate effect, U.S. consumption of gasoline is forecasted to decline over the forecast horizon.

Motor vehicle usage tax revenues are forecasted to increase 1.1 percent over the first three quarters of FY25 as spending on new light vehicles levels off. Collections in this account have been very strong for the last several years with collections reaching all-time highs in four of the past six years.

To estimate growth of the other components of the Road Fund, the Governor’s Office for Economic Analysis (GOEA) consulted with officials in the Transportation Cabinet and the Department of Revenue to assess recent growth patterns as well as administrative factors in developing an updated estimate. Growth in motor vehicle license fees is expected to be 0.6 percent in the first three quarters of FY25 after falling 5.7 percent in FY24. Weight distance taxes are forecasted to continue their slow decline. Collections in FY24 fell 1.1 percent and receipts through the first three quarters of FY25 are expected to decline 1.3 percent. Motor vehicle operators’ (driver’s license) taxes are forecasted to rise 3.7 percent and investment income collections are projected to be \$6.7 million. The “Other” category is expected to decrease 1.7 percent.

**Table 2**  
**Road Fund Interim Outlook**  
**\$ millions**

	FY24				FY24		FY25	
	Q4		Full Year		Official		Q1-Q3	
	Actual	% Chg	Actual	% Chg	Estimate	\$ Diff	Estimate	% Chg
Motor Fuels	235.3	9.1	905.4	13.4	905.1	0.3	646.1	-3.6
Motor Vehicle Usage	177.6	3.0	671.0	1.6	672.2	-1.2	498.9	1.1
Motor Vehicle License	48.6	-3.2	119.5	-5.7	126.8	-7.3	71.3	0.6
Motor Vehicle Operators	8.5	0.4	32.7	9.9	31.2	1.5	25.1	3.7
Weight Distance	21.5	-0.3	86.8	-1.1	87.7	-0.9	64.5	-1.3
Income on Investments	5.4	200.1	14.6	131.7	11.8	2.8	6.7	-27.6
Other	13.2	9.5	44.5	0.7	46.8	-2.3	30.8	-1.7
<b>Road Fund</b>	<b>510.1</b>	<b>5.8</b>	<b>1,874.6</b>	<b>6.9</b>	<b>1,881.7</b>	<b>-7.1</b>	<b>1,343.4</b>	<b>-1.5</b>

## NATIONAL OUTLOOK

The US national outlook presented in Tables 3 and 4 was prepared using the S&P Global June 2024 control economic forecast. Real GDP is expected to increase 1.8 percent in the first three quarters of FY25 compared to the same quarters in FY24. Adjacent-quarter growth is anticipated to soften to 0.4 percent in each quarter of the forecasting horizon after posting growth of 1.2 percent, 0.8 percent, 0.3 percent, and 0.5 percent for the four quarters of FY24. Several factors have created economic headwinds dampening real GDP growth over the forecast horizon. Ongoing effects of tight monetary policy, tightened lending standards on loans to consumers and businesses, borrowing costs reaching their highest peak in over two decades, rising household debt, and depleted pandemic-period savings have combined to adversely impact economic activity. While real GDP is anticipated to cool through March of 2025, the overall outlook remains positive.

Among the five components of real GDP, real imports are poised to grow the most in percentage terms. Real imports are forecasted to increase 5.1 percent compared to the same periods one year prior. The recent increase in real imports is in part attributed to the surge in capital goods imports, which climbed to an all-time high in the fourth quarter of FY24. Imports of computers and computer accessories, subcategories of capital goods, have experienced substantial growth. The jump in growth is likely related to significant investments that US high-tech companies are making in artificial intelligence and businesses upgrading to Windows 11. Real imports is a deduction from real GDP.

Growth in real exports is expected to trail real imports, increasing 2.4 percent in the first three quarters of FY25, compared to the same FY24 quarters. With exports lagging imports, the US balance of trade is expected to worsen slightly. Real investment growth is expected to strengthen over the three-quarter forecast horizon, increasing 3.0 percent. Real government expenditures are also expected to be a positive contributor to overall economic growth over the outlook horizon, rising 1.2 percent compared to the same quarters one year prior. Real consumption growth is projected at 2.2 percent in the first, second and third quarter of FY25, compared to the same periods one year prior. Real consumption makes up approximately 69 percent of real GDP over the outlook period.

According to the Conference Board Consumer Confidence Index, US Consumer Confidence weakened slightly in June. While inflation is expected to remain muted in the months ahead, consumer sentiment continues to be weakened by elevated prices, especially for food and groceries. The outlook for the CPI for all goods forecasts a 3.0 percent rate of inflation over the three-quarter forecast. Inflation has lingered between 3.0 percent and 3.7 percent since June of 2023.

US housing starts are expected to decline 3.7 percent during the outlook periods. Housing starts reflect the number of privately owned new houses on which construction has been started in a given period. Single-family permits, arguably the most important monthly housing statistic, fell for the third straight month in April, following a thirteen consecutive-month increase. Multi-family permits (which include townhouses or small condos, and apartment buildings) are also on the decline. Homebuilder sentiment has stalled on the back of elevated mortgage rates. In contrast, existing home sales, which reportedly bottomed out in December of 2023 at 3.8 million, are on the rise. Demand for existing home sales continue to be challenged by high mortgage rates and housing affordability. The Fed has maintained its federal funds target rate in the 5.25 percent to 5.50 percent range since July of 2023. Despite assumptions that the Fed may begin cutting rates later this calendar year, rate cuts thus far have been delayed due to ongoing concerns surrounding inflation moving sustainably down toward the Fed's two-percent target and stabilizing.

A slight uptick in the unemployment rate is expected through the third quarter of FY25, reaching an average level of 4.0 percent, an increase of 0.3 percentage points compared to the same quarters in FY24. While the unemployment rate continues to gradually climb, job openings and quits have declined substantially. The ratio of openings-to-unemployed is back to the pre-pandemic level of 1.2, down from 2.0 in March of 2022. The US labor market, a key indicator of the national economy's strength, is expected to remain in a healthy state over the short-term outlook. Total non-farm employment is expected to edge up 1.4 percent in the first three quarters of FY25, a gain of 2.3 million jobs. The most significant job gains are expected to occur in government, educational services, leisure and hospitality services, and construction.

US personal income is expected to increase 5.2 percent in the first three quarters of FY25. The wages and salaries component is anticipated to continue its positive trajectory, underpinning personal income growth with a 5.0 percent increase over the nine-month outlook. The largest component of US personal income is US wages and salaries, accounting for roughly 51 percent of the total. The projected uptick in personal income is also attributed to an increase in transfer receipts, expected to rise 6.1 percent over the first, second, and third quarters of FY25. Dividends, interest, and rents are forecasted to grow 5.6 percent in the first three quarters of FY25, compared to the same period one year prior.



**Table 3**  
**US Economic Outlook**  
**Interim Forecast**

	Q1, Q2, & Q3			
	FY25	FY24	\$ Chg	% Chg
Real GDP	23,050.5	22,639.9	410.6	1.8
Real Consumption	15,920.1	15,570.6	349.4	2.2
Real Investment	4,251.2	4,127.1	124.0	3.0
Real Govt. Expenditures	3,922.9	3,876.8	46.2	1.2
Real Exports	2,579.7	2,520.4	59.3	2.4
Real Imports	3,638.5	3,461.9	176.7	5.1
CPI all goods (% chg)	3.0	3.3	NA	NA
CPI Food (% chg)	1.8	3.2	NA	NA
CPI Energy (% chg)	1.9	-3.7	NA	NA
CPI Core (% chg)	3.4	4.1	NA	NA
Industrial Production Index (% chg)	0.1	-0.1	NA	NA
Unemployment Rate (%)	4.0	3.7	NA	NA
Housing Starts (millions, NSA)	1.4	1.4	-0.1	-3.7

**Table 4**  
**US Labor and Income Outlook**  
**Interim Forecast**

	Q1, Q2, & Q3			
	FY25	FY24	Chg	% Chg
Non-farm Employment (millions, NSA)	159.4	157.1	2.3	1.4
Goods-producing	21.8	21.7	0.1	0.4
Construction	8.3	8.1	0.2	2.3
Mining	0.6	0.6	0.0	-1.5
Manufacturing	12.8	12.9	-0.1	-0.8
Service-providing	114.2	112.4	1.8	1.6
Trade, Transportation & Utilities	29.0	28.9	0.2	0.5
Information	3.0	3.0	0.0	1.0
Finance	9.3	9.2	0.0	0.5
Business Services	23.2	22.9	0.3	1.4
Educational Services	26.5	25.7	0.8	3.1
Leisure and Hospitality Services	17.1	16.8	0.3	2.1
Other Services	5.9	5.9	0.1	1.1
Government	23.4	23.0	0.4	1.9
Personal Income (\$ billions, AR)	24,540.1	23,328.4	1,211.7	5.2
Wages and Salaries	12,610.1	12,011.8	598.3	5.0
Transfer Receipts	4,399.5	4,145.2	254.3	6.1
Dividends, Interest, and Rents	4,912.4	4,652.8	259.6	5.6
Supplements to Wages and Salaries	2,587.4	2,476.5	111.0	4.5
Proprietors' Income	1,950.7	1,877.5	73.2	3.9
Social Insurance	1,920.1	1,835.4	84.7	4.6
Residence Adjustment	0.0	0.0	0.0	NA

## KENTUCKY OUTLOOK

Total nonfarm payroll employment is anticipated to increase 1.1 percent over the next three fiscal quarters, adding 22,800 annualized jobs to the Commonwealth's economy. Nine of the 11 supersectors are forecasted to experience varying degrees of employment gains over the nine-month forecast.

The service-providing sectors are expected to grow over the forecast horizon, while the goods-providing sectors are expected to contract. In percentage terms, business services employment is anticipated to grow the quickest among all supersectors. Over the first three quarters of FY25, the business services employment is on track to net roughly 7,300 annualized jobs, accounting for an increase of 3.2 percent compared to the same three quarters in FY24. In absolute terms, employment in educational services is the best performer amongst the supersectors and is forecasted to increase by approximately 8,900 annualized jobs, an increase of 2.9 percent compared to the first three quarters one year prior.

Among industries monitored by the Bureau of Labor Statistics, the trade, transportation, and utilities sector, as well as the government sector, employ the highest number of Kentuckians. Government employment is anticipated to continue its positive trajectory and is forecasted to grow modestly over the first three quarters of FY25. The government sector is expected to increase by approximately 5,800 annualized jobs, a 1.9 percent increase compared to the same quarters in FY24.

Employment in the goods-producing sector is expected to decline 2.1 percent in the first, second, and third quarters of FY25, accounting for a net loss of roughly 7,400 annualized jobs compared to the same periods one year prior. Manufacturing employment is forecasted to take the greatest hit within the goods-producing sector, decreasing by an estimated 8,600 annualized jobs, representing a 3.4 percent decline. Kentucky's employment landscape is shaped heavily by a strong automotive, aerospace, and primary metal manufacturing presence. Manufacturing employment continues to be a driving force behind Kentucky's economic success, therefore any substantial downward movement in the manufacturing sector warrants attention over the three-quarter outlook.

Mining employment is forecasted to decline 8.2 percent, a loss of roughly 700 annualized jobs. Mining employment is the smallest of the Kentucky supersectors. In percentage terms, mining employment is anticipated to shrink the most among all supersectors, but the decline does not impact the overall total nonfarm employment count substantially.

Kentuckians’ personal income is poised to grow 4.8 percent over the forecast horizon, roughly on par with US personal income growth. The anticipated personal income growth is driven by strong growth in wages and salaries, the largest component of personal income. Kentucky wages and salaries is forecasted to increase 4.7 percent in the first three quarters of FY25, compared to the same period one year prior.

The transfer receipt payments portion of total personal income, which represent approximately 25 percent of Kentuckians’ total personal income over the three-quarter outlook, is expected to increase of 6.2 percent. Transfer receipts income includes benefits related to retirement and disability insurance (e.g., Social Security), medical benefits (e.g., Medicare and Medicaid), income maintenance benefits, unemployment insurance compensation, and veterans’ benefits, among other government payments directly to individuals. The transfer receipts forecast is similar to the period immediately prior to the COVID-19 pandemic when it accounted for roughly 24 percent of the share of total personal income.

**Table 5**  
**KY Labor and Income Outlook**  
**Interim Forecast**

	Q1, Q2, & Q3			
	FY25	FY24	\$ Chg	% Chg
Non-farm Employment (thousands, NSA)	2,047.0	2,024.2	22.8	1.1
Goods-producing	348.4	355.8	-7.4	-2.1
Construction	92.5	90.5	2.0	2.2
Mining	8.0	8.7	-0.7	-8.2
Manufacturing	247.9	256.5	-8.6	-3.4
Service-providing	1,381.8	1,357.4	24.4	1.8
Trade, Transportation & Utilities	426.6	426.3	0.2	0.1
Information	23.0	22.8	0.2	0.7
Finance	97.3	96.1	1.2	1.2
Business Services	235.4	228.1	7.3	3.2
Educational Services	316.1	307.2	8.9	2.9
Leisure and Hospitality Services	210.6	204.6	6.0	2.9
Other Services	72.8	72.2	0.6	0.8
Government	316.8	311.0	5.8	1.9
Personal Income (\$ billions, AR)	262.2	250.3	11.9	4.8
Wages and Salaries	131.7	125.7	6.0	4.7
Transfer Receipts	66.3	62.4	3.9	6.2
Dividends, Interest, and Rents	41.4	40.1	1.3	3.3
Supplements to Wages and Salaries	30.6	29.3	1.3	4.5
Proprietors' Income	18.2	17.5	0.7	4.1
Social Insurance	20.9	20.1	0.9	4.3
Residence Adjustment	-5.1	-4.7	-0.4	9.1

# REVENUE RECEIPTS

## GENERAL FUND Fourth Quarter, FY24

General Fund revenues were flat in the fourth quarter of FY24 after growing in the five percent range in each of the first three quarters of the year. Noteworthy was the \$114.5 million decline in individual income taxes which was nearly offset by increases in the major business taxes and income on investments. Fourth quarter revenues totaled \$4,296.8 million, which was \$1.4 million less than FY23 fourth quarter collections. Detailed information on these and other accounts is available in Appendix A.

Individual income tax receipts fell 6.6 percent in the fourth quarter to \$1,626.5 million due to a reduction in the tax rate from 4.5 percent to 4.0 percent. The three largest components of the tax; withholding, estimated payments and net payments with returns all had significant declines. In the aggregate, the reductions totaled \$342.4 million. Revenues of \$225.8 million from the Pass-Through Entity Tax (PTET) offset some of the declines in the other components of the tax.

Sales and use tax revenue were flat in the fourth quarter following three quarters of solid growth in FY24. Receipts were \$1,467.5 million compared to the \$1,467.1 million collected in the fourth quarter of FY23.

Combined corporation income and limited liability entity tax (LLET) collections increased 15.5 percent in the fourth quarter. Receipts totaled \$603.0 million and were \$81.1 million more than collected a year earlier.

Property tax collections grew \$2.9 million, or 3.7 percent, in the fourth quarter as real property and public service collections offset a decline in omitted and delinquent receipts. Collections in the final three months were \$81.1 million compared to \$78.2 million received in the fourth quarter of the prior fiscal year.

Lottery receipts fell 6.3 percent, or \$5.7 million, to \$84.0 million in the fourth quarter of the year. The decline was solely attributable to budget language which directed lottery receipts in excess of \$343.6 million in FY24 to be deposited into an agency and trust account outside of the General Fund.

Cigarette tax revenue fell 8.9 percent in the final quarter of the FY24. Receipts of \$69.3 million were \$6.7 million less than collected in the fourth quarter of FY23.

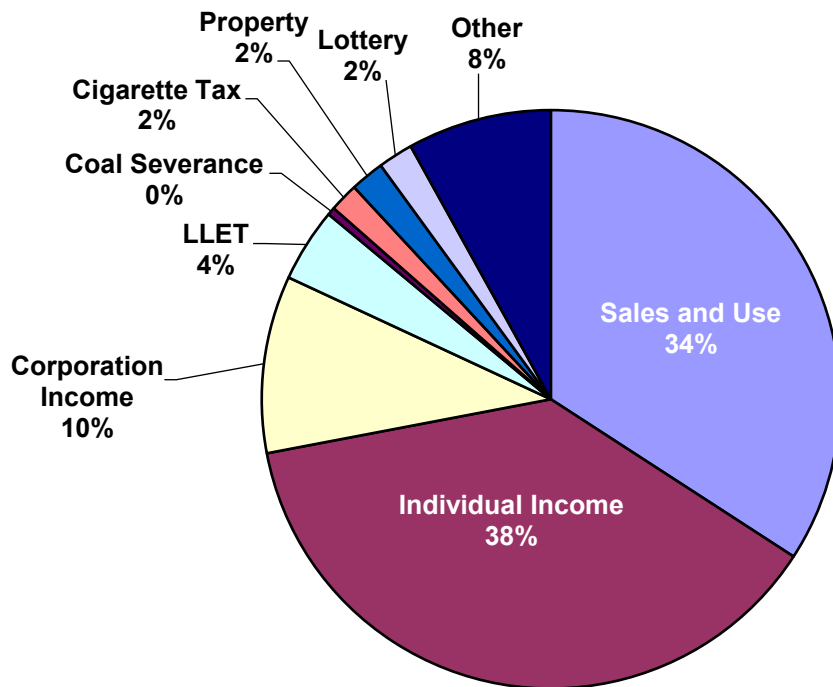
Coal severance tax collections fell 15.9 percent in the fourth quarter to \$19.0 million. This represents a \$3.6 million drop over prior year receipts.

The “Other” category encompasses the remaining General Fund taxes and fees. Collections in this account increased 14.8 percent, or \$44.6 million over FY23 levels largely due to a \$23.1 million increase in income on investments. Fourth quarter receipts were \$346.2 million and compare to \$301.6 million collected in the prior year.

<b>Table 6</b>				
<b>Summary General Fund Receipts</b>				
<b>\$ millions</b>				
	<b>FY24</b>	<b>FY23</b>	<b>Diff</b>	<b>Diff</b>
	<b>Q4</b>	<b>Q4</b>	<b>\$</b>	<b>%</b>
Individual Income	1,626.5	1,741.0	-114.5	-6.6
Sales & Use	1,467.5	1,467.1	0.5	0.0
Corp. Inc. & LLET	603.0	521.9	81.1	15.5
Property	81.1	78.2	2.9	3.7
Lottery	84.0	89.7	-5.7	-6.3
Cigarettes	69.3	76.0	-6.7	-8.9
Coal Severance	19.0	22.6	-3.6	-15.9
Other	346.2	301.6	44.6	14.8
<b>Total</b>	<b>4,296.8</b>	<b>4,298.2</b>	<b>-1.4</b>	<b>0.0</b>

Figure A details the composition of fourth quarter General Fund receipts by tax type. Seventy-two percent of General Fund revenues were in the areas of the individual income tax and the sales tax. The next-largest source of revenue was the corporation and LLET taxes at 14 percent followed by the “Other” account at eight percent. Cigarette and property taxes, as well as lottery collections each accounted for two percent. Coal severance receipts accounted for less than one percent.

**Figure A**  
**Composition of Fourth Quarter FY24**  
**General Fund Revenues**



**ROAD FUND**  
**Fourth Quarter, FY24**

Road Fund receipts reached an all-time high of \$510.1 million in the fourth quarter of FY24. This surpassed the previous high of \$482.1 million from the final quarter of FY23. Revenues were 5.8 percent, or \$27.9 million, greater than in the same quarter last year. Five of the seven major categories exceeded prior year receipts with the motor fuels taxes accounting for \$19.7 million of the total revenue increase. Motor vehicle usage tax collections were \$5.2 million more than in FY23 and income on investments rose by \$3.6 million. The remaining accounts, taken together, declined by \$500,000. Summary data are contained in Table 7 and detailed data are shown in Appendix A.

<b>Table 7</b>				
<b>Summary Road Fund Receipts</b>				
<b>\$ millions</b>				
	<b>FY24</b>	<b>FY23</b>	<b>Diff</b>	<b>Diff</b>
	<b>Q4</b>	<b>Q4</b>	<b>\$</b>	<b>%</b>
Motor Fuels	235.3	215.7	19.7	9.1
Motor Vehicle Usage	177.6	172.4	5.2	3.0
Motor Vehicle License	48.6	50.2	-1.6	-3.2
Motor Vehicle Operators	8.5	8.4	0.0	0.4
Weight Distance	21.5	21.5	-0.1	-0.3
Income on Investments	5.4	1.8	3.6	200.1
Other	13.2	12.0	1.1	9.5
<b>Total</b>	<b>510.1</b>	<b>482.1</b>	<b>27.9</b>	<b>5.8</b>

Motor fuels tax receipts increased 9.1 percent, or \$19.7 million, during the fourth quarter primarily due to the FY24 increase in the tax rate. The increase in the tax rate is due to a rise in the average wholesale price (AWP) of gasoline. The state gasoline and special fuels excise tax rate is calculated annually as 9 percent of the AWP. Receipts were \$235.3 million and compare to \$215.7 million collected during the fourth quarter last fiscal year.

Motor vehicle usage tax receipts totaled \$177.6 million for the quarter. Collections were 3.0 percent, or \$5.2 million, more than the same period last year and were the largest quarterly total for the year.

Motor vehicle license tax collections were one of the two major Road Fund category to decline in the fourth quarter. Revenues in this account fell 3.2 percent during the final three months of the year. Receipts of \$48.6 million compare to \$50.2 million received during the fourth quarter of FY23.

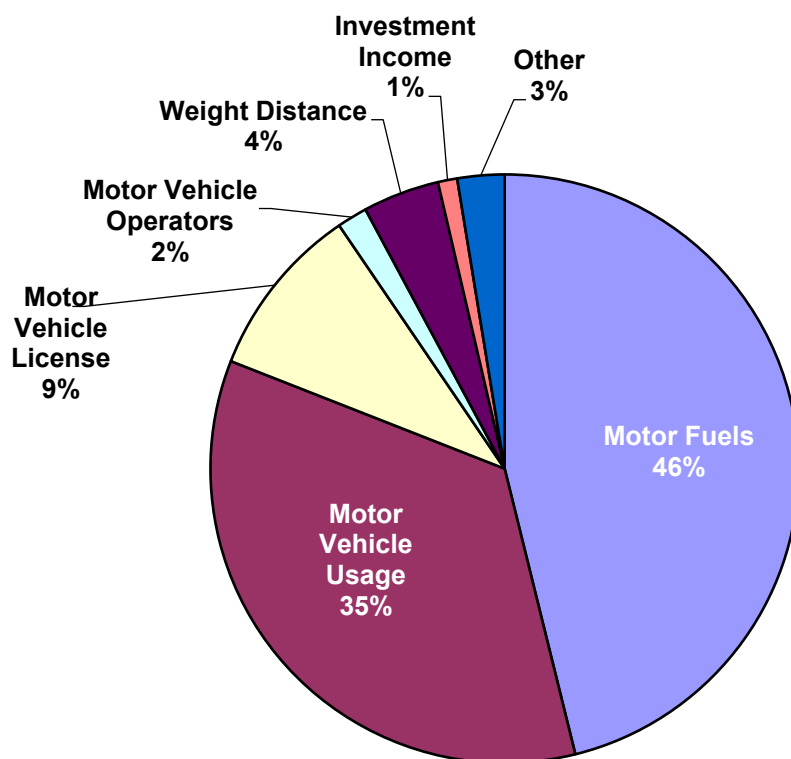
Motor vehicle operator’s fees totaled \$8.5 million in the just completed quarter, a 0.4 percent increase compared to the level observed a year ago.

Weight distance tax receipts were the other Road Fund category to decline in the quarter, dropping 0.3 percent with collections of \$21.5 million.

The remaining two accounts in the Road Fund combined for a total \$18.5 million, an increase of 34.1 percent over FY23 levels.

Figure B details the composition of Road Fund revenues by tax type in the fourth quarter of FY24. Motor fuels taxes and motor vehicle usage taxes comprised 81 percent of Road Fund revenues in the fourth quarter. The next-largest source of revenue was the motor vehicle license tax with nine percent, followed by weight distance taxes with four percent. The “Other” category accounted for three percent while motor vehicle operators accounted for two percent of the total Road Fund receipts. Income on investments accounted for one percent.

**Figure B**  
**Composition of Fourth Quarter FY24**  
**Road Fund Revenues**





## **ANNUAL TOTALS, FY24**

### **General Fund**

General Fund receipts posted 14 consecutive years of growth and the fourth consecutive year in which there was a revenue surplus greater than \$1 billion. Collections for FY24 were \$15,571.3 million, which is \$1.4 billion more than the original budget estimate created in 2022. Additionally, General Fund revenues exceeded the December 2023 revised official revenue estimates by \$16.8 million, generating the most accurate revenue forecast since Kentucky's consensus forecasting process began in 1996. The fiscal health of the Commonwealth is apparent when reviewing the General Fund revenue totals. Beyond the economic gains underlying the revenues, the emergence of investment income as a significant General Fund revenue source has occurred in a span of just two fiscal years as collections increased from just over \$500,000 in FY22 to \$300 million in FY24. By way of comparison, for the ten-year period from FY13 until FY22, investment income averaged negative \$2.4 million annually.

General Fund revenue growth was robust in the first quarter, increasing 6.9 percent, before slowing over the remainder of the year. Individual income tax revenues were the main driver of this trend, increased at a double-digit growth in the first quarter but turned negative in two of the three remaining quarters and grew less than one-half of one percent in the other. General Fund growth rates for the four quarters of FY24 were 6.9, 1.6, 3.5, and -0.03 percent, respectively.

Individual income tax receipts fell 0.6 percent, or \$36.4 million, for the year. The decline was largely due to the tax rate change from 4.5 percent to 4.0 percent as of January 2024, which is an 11.1 percent reduction. The 2024 rate change is the second tax rate reduction directly linked to House Bill 8 from the 2022 legislative session when the rate was 5.0 percent. While the tax rate was reduced by 11.1 percent, withholding receipts declined by only 6.5 percent, reflecting an increase in wages and salaries in Kentucky. Individual income tax collections were also impacted by the Pass-Through Entity Tax, or PTET, that was enacted in House Bill 5 from the 2023 legislative session. The PTET collects tax payments from a new elective entity-level tax, tied to the Kentucky individual income tax by a refundable credit that flows through to the members/owners of the pass-through entity. The PTET collections were \$791.9 million in FY24. However, the reductions to the individual income tax associated with the refundable credit are difficult to precisely quantify, as they may come in the form of lower individual income estimated payments and lower non-resident withholding.

Sales and use tax receipts rose \$226.3 million over FY23 collections. Receipts were consistent over the first three quarters of the year with revenues growing in the five-to-six percent range in each quarter before flattening out in the final quarter. Growth rates for the quarters were 5.5, 5.9, 5.1, and 0.03 percent, respectively.

Combined corporation income and Limited Liability Entity tax (LLET) collections grew 2.3 percent, or \$27.5 million, compared to last year. Receipts in these accounts were lower than FY23 in each of the first three quarters but grew strongly in the final quarter. Quarterly growth rates for the taxes were -4.4, -4.8, -25.8, and 15.5 percent, respectively.

Property tax receipts rose 4.4 percent in FY24 on the strength of real property which grew 6.6 percent. Total property tax growth was strongest in the second half of the year after growing only one percent during the first six months. Growth rates for the four quarters were 4.1, 0.6, 14.2, and 3.7 percent, respectively.

Lottery revenues deposited into the General Fund were \$343.6 million, or 2.0 percent over last year. Growth rates for the four quarters were 4.0, 7.0, 3.6, and -6.3 percent, respectively.

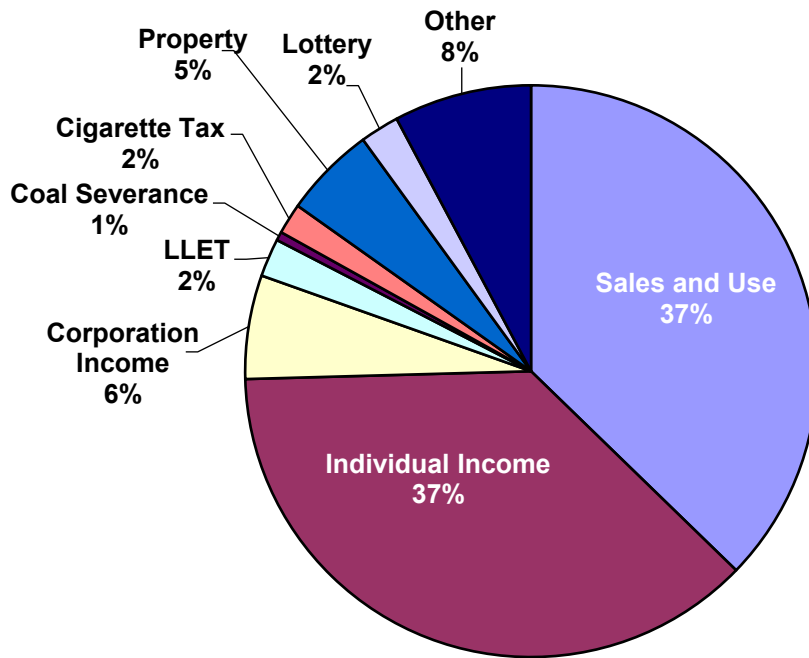
Cigarette tax revenue declined for the fourth consecutive year, falling 9.6 percent to \$270.5 million. Quarterly growth rates for the year were -7.3, -13.1, -9.4, and -8.9 percent, respectively.

After seeing exceptional growth in the past two years, coal severance tax revenues returned to their long-term trend as receipts declined by 19.4 percent. Receipts for the year were \$77.8 million, \$18.7 million less than what was collected last year. Quarterly growth rates for this account were 2.4, -55.1, -7.8, and -15.9 percent, respectively.

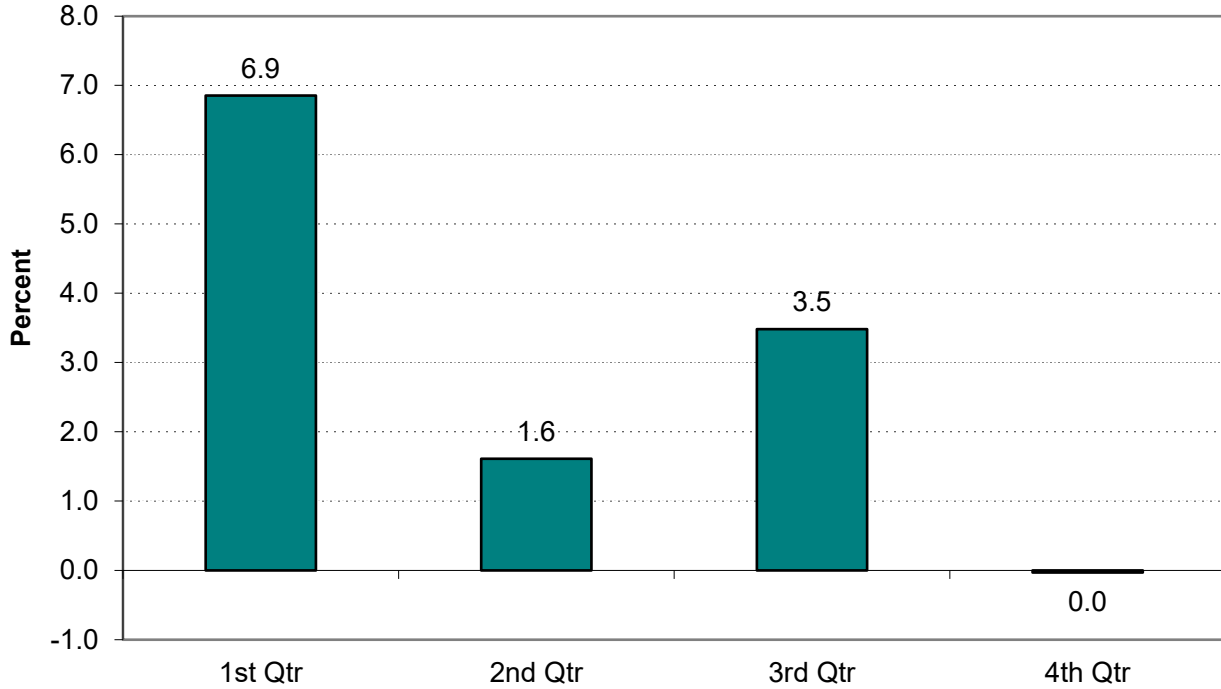
The “Other” category, which includes multiple taxes and fees such as investment income, inheritance, and insurance premium taxes, grew 21.4 percent for the year. Growth in the “Other” account was boosted by income on investments which nearly doubled FY23 collections of \$150.5 million. Quarterly growth rates for the “Other” account were 22.0, 31.9, 19.5, and 14.8 percent, respectively.

Figure C details the composition of FY24 General Fund receipts by tax type. Seventy-four percent of General Fund revenues were in the areas of the individual income tax and the sales tax. The next-largest sources of revenue was the combined corporate and LLET taxes and the “Other” which accounted for eight percent each. Property tax collections were five percent, cigarette taxes and lottery dividends each were two percent. Finally, coal severance taxes accounted for one percent.

**Figure C**  
**Composition of FY24 General Fund Revenues**



**Figure D**  
**FY24 Quarterly General Fund Growth**  
**percent**



**Table 8**  
**General Fund Quarterly Growth Rates**  
**percents**

	FY24				Full Year
	Q1	Q2	Q3	Q4	
Individual Income	10.0	-4.5	0.4	-6.6	-0.6
Sales & Use	5.5	5.9	5.1	0.0	4.1
Corp. Inc. & LLET	-4.4	-4.8	-25.8	15.5	2.3
Property	4.1	0.6	14.2	3.7	4.4
Lottery	4.0	7.0	3.6	-6.3	2.0
Cigarettes	-7.3	-13.1	-9.4	-8.9	-9.6
Coal Severance	2.4	-55.1	-7.8	-15.9	-19.4
Other	22.0	31.9	19.5	14.8	21.4
<b>Total</b>	<b>6.9</b>	<b>1.6</b>	<b>3.5</b>	<b>0.0</b>	<b>2.8</b>

**Table 9**  
**General Fund Revenues Compared to Previous Years**  
**\$ millions**

	<b>Full Year</b>			<b>Growth Rates (%)</b>		
	<b>FY24</b>	<b>FY23</b>	<b>FY22</b>	<b>FY24</b>	<b>FY23</b>	<b>FY22</b>
Individual Income	5,807.5	5,843.9	6,047.5	-0.6	-3.4	17.6
Sales & Use	5,802.6	5,576.3	5,062.9	4.1	10.1	11.0
Corp. Inc. & LLET	1,249.1	1,221.6	1,186.6	2.3	3.0	34.4
Property	808.2	774.4	723.9	4.4	7.0	3.0
Lottery	343.6	337.0	295.0	2.0	14.2	2.0
Cigarettes	270.5	299.3	324.5	-9.6	-7.8	-7.3
Coal Severance	77.8	96.6	70.7	-19.4	36.7	26.0
Other	1,212.0	998.7	991.5	21.4	0.7	17.7
<b>Total</b>	<b>15,571.3</b>	<b>15,147.7</b>	<b>14,702.5</b>	<b>2.8</b>	<b>3.0</b>	<b>14.6</b>

**Table 10**  
**FY24 General Fund Receipts Compared to Official Estimate**  
**\$ millions**

	<b>FY24</b>		<b>Difference</b>	
	<b>Actual</b>	<b>Estimate</b>	<b>\$</b>	<b>%</b>
Individual Income	5,807.5	5,778.3	29.2	0.5
Sales & Use	5,802.6	5,828.4	-25.8	-0.4
Corp. Inc. & LLET	1,249.1	1,277.4	-28.3	-2.2
Property	808.2	808.6	-0.4	-0.1
Lottery	343.6	343.6	0.0	0.0
Cigarettes	270.5	272.2	-1.7	-0.6
Coal Severance	77.8	84.9	-7.1	-8.3
Other	1,212.0	1,161.2	50.8	4.4
<b>Total</b>	<b>15,571.3</b>	<b>15,554.5</b>	<b>16.8</b>	<b>0.1</b>

**Table 11**  
**General Fund Quarterly Revenue Receipts**  
**\$ millions**

	<b>FY24</b>				<b>Full Year</b>
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	
Individual Income	1,505.2	1,329.5	1,346.3	1,626.5	5,807.5
Sales & Use	1,473.4	1,450.3	1,411.3	1,467.5	5,802.6
Corp. Inc. & LLET	322.3	248.4	75.3	603.0	1,249.1
Property	70.7	450.9	205.4	81.1	808.2
Lottery	78.0	95.0	86.5	84.0	343.6
Cigarettes	75.2	64.4	61.6	69.3	270.5
Coal Severance	22.7	11.1	25.1	19.0	77.8
Other	252.8	293.7	319.4	346.2	1,212.0
<b>Total</b>	<b>3,800.3</b>	<b>3,943.3</b>	<b>3,530.8</b>	<b>4,296.8</b>	<b>15,571.3</b>

## **ANNUAL TOTALS, FY24**

### **Road Fund**

Road Fund revenues grew sharply in the first half of FY24, increasing 8.8 percent, before easing in the third quarter with growth of only 4.5 percent. Collections picked up in the final three months of the year when receipts rose 5.8 percent. Receipts for the year were \$1,874.6 million, an increase of 6.9 percent compared to FY23. Road Fund collections were within 0.4 percent of the official estimate and were \$195 million more than the original estimate used when the FY24 budget was set in the 2022 legislative session. Growth rates for the four quarters were: 10.2, 7.4, 4.5, and 5.8 percent, respectively. Road Fund collections are detailed in Table 7.

Motor fuels tax receipts grew in double digits in the first three quarters of the year and were just short of that standard in the fourth quarter. There was an annual increase in the tax rate for FY24 which means that for the first three quarters of the year, the tax rate was 4.1 cents per gallon higher relative to FY23. Total collections for the year were \$905.4 million, an increase of 13.4 percent. Quarterly growth rates for motor fuels taxes were: 14.0, 12.2, 19.4, and 9.1 percent, respectively.

Motor vehicle usage tax revenues increased in three of the four quarters of the year but fell in quarter three. Collections in this account set an all-time high for the fourth consecutive year consistent with expectations relative to the official estimate. Revenues for the year were \$671.0 million but \$1.2 million less than the official forecast. Growth rates for the four quarters were: 3.4, 6.5, -5.9, and 3.0 percent, respectively.

Motor vehicle license tax receipts fell 5.7 percent for the year to \$119.5 million as collections fell in all four quarters. Receipts were \$7.3 million below the official estimate. Growth rates were: -6.3, -5.1, -9.3, and -3.2 percent, respectively.

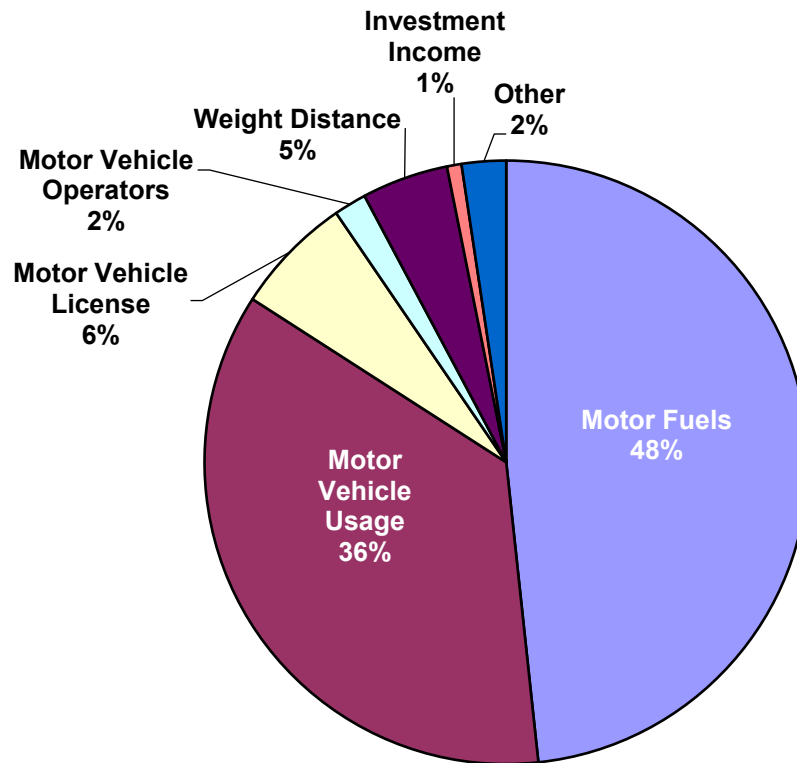
Motor vehicle operators' receipts rose 9.9 percent with collections of \$32.7 million. The growth rates for this account were: 228.7, -30.3, 9.4, and 0.4 percent, respectively. The large swings in growth rates resulted from timing issues in this account last year. Investment income receipts were \$14.6 million for the year, 131.7 percent more than the \$6.3 million collected in FY23. "Other" income rose 0.7 percent to \$44.5 million.

Weight distance tax collections fell slightly FY24 with year-end revenues of \$86.8 million, 1.1 percent below FY23 receipts. Receipts were \$900,000 million less than projected. Growth rates for the four quarters were: -1.3, -3.1, 0.6, and -0.3 percent, respectively.

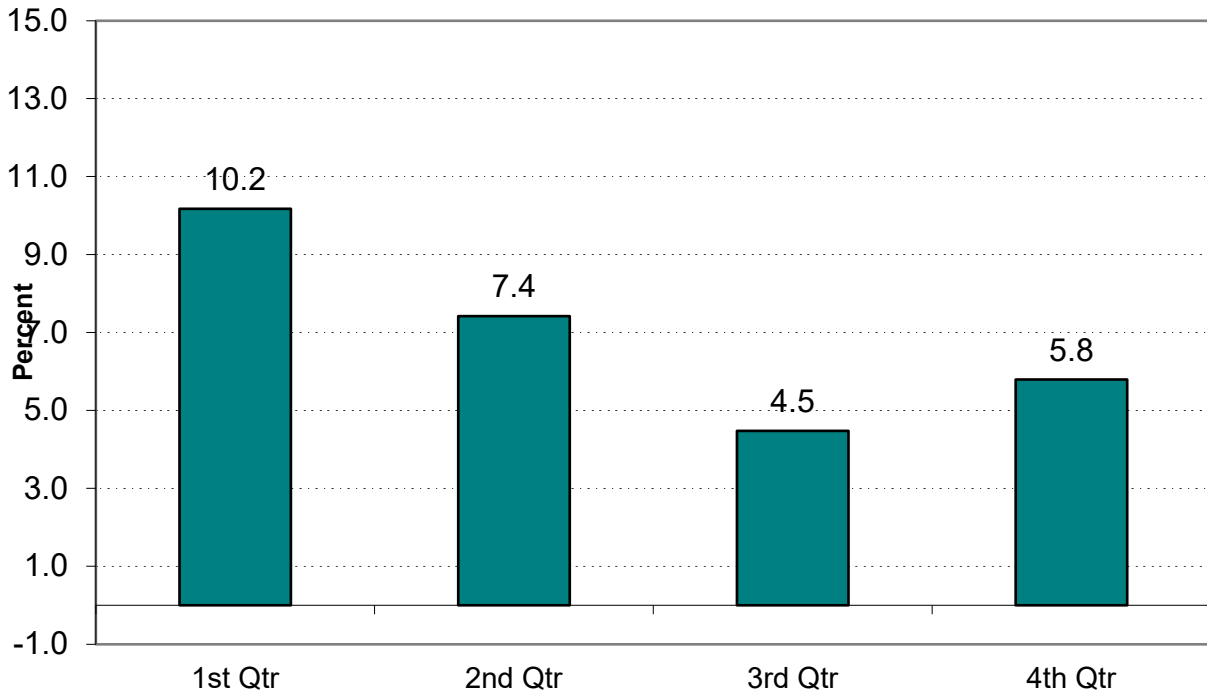
Road Fund receipts fell \$7.1 million short of the December 2023 revised revenue estimate. The two largest accounts, motor fuels and motor vehicle usage, combined to be within \$900,000 of the estimate. Taken together, the remaining accounts were within \$6.1 million of estimated levels.

Figure E details the composition of FY24 Road Fund receipts by tax type. Eighty-four percent of the Road Fund came from motor vehicle usage and motor fuels taxes in the just completed year. Following these, the motor vehicle license tax accounted for six percent and the weight distance tax accounted for five percent. “Other” taxes and motor vehicle operators each accounted for two percent while investment income was one percent.

**Figure E**  
**Composition of FY24 Road Fund Revenues**



**Figure F  
FY24 Quarterly Road Fund Growth  
Percent**



**Table 12  
Road Fund Quarterly Growth Rates  
percents**

	FY24				Full Year
	Q1	Q2	Q3	Q4	
Motor Fuels	14.0	12.2	19.4	9.1	13.4
Motor Vehicle Usage	3.4	6.5	-5.9	3.0	1.6
Motor Vehicle License	-6.3	-5.1	-9.3	-3.2	-5.7
Motor Vehicle Operators	228.7	-30.3	9.4	0.4	9.9
Weight Distance	-1.3	-3.1	0.6	-0.3	-1.1
Income on Investments	NA	61.9	-51.6	200.2	131.7
Other	-4.7	4.5	-6.1	9.5	0.7
<b>Total</b>	<b>10.2</b>	<b>7.4</b>	<b>4.5</b>	<b>5.8</b>	<b>6.9</b>



**Table 13**  
**Road Fund Revenues Compared to Previous Years**  
**\$ millions**

	Full Year			Growth Rates (%)		
	FY24	FY23	FY22	FY24	FY23	FY22
Motor Fuels	905.4	798.3	774.6	13.4	3.0	3.5
Motor Vehicle Usage	671.0	660.3	629.1	1.6	5.0	1.3
Motor Vehicle License	119.5	126.7	123.7	-5.7	2.5	-1.5
Motor Vehicle Operators	32.7	29.7	28.5	9.9	4.3	29.1
Weight Distance	86.8	87.7	87.2	-1.1	0.6	4.8
Income on Investments	14.6	6.3	-11.0	NA	NA	8,575.8
Other	44.5	44.2	43.3	0.7	2.2	1.9
<b>Total</b>	<b>1,874.6</b>	<b>1,753.3</b>	<b>1,675.4</b>	<b>6.9</b>	<b>4.7</b>	<b>2.0</b>

**Table 14**  
**FY24 Road Fund Receipts Compared to Official Estimate**  
**\$ millions**

	FY24		Difference	
	Actual	Estimate	\$	%
Motor Fuels	905.4	905.1	0.3	0.0
Motor Vehicle Usage	671.0	672.2	-1.2	-0.2
Motor Vehicle License	119.5	126.8	-7.3	-5.7
Motor Vehicle Operators	32.7	31.2	1.5	4.8
Weight Distance	86.8	87.7	-0.9	-1.0
Income on Investments	14.6	11.8	2.8	23.9
Other	44.5	46.8	-2.3	-4.8
<b>Total</b>	<b>1,874.6</b>	<b>1,881.7</b>	<b>-7.1</b>	<b>-0.4</b>

**Table 15**  
**Road Fund Quarterly Revenue Receipts**  
**\$ millions**

	FY24				Full Year
	Q1	Q2	Q3	Q4	
Motor Fuels	228.1	227.5	214.5	235.3	905.4
Motor Vehicle Usage	173.3	160.9	159.1	177.6	671.0
Motor Vehicle License	20.7	19.2	31.0	48.6	119.5
Motor Vehicle Operators	8.4	8.2	7.7	8.5	32.7
Weight Distance	22.1	21.6	21.6	21.5	86.8
Income on Investments	2.9	4.0	2.3	5.4	14.6
Other	10.2	9.6	11.6	13.2	44.5
<b>Total</b>	<b>465.6</b>	<b>451.0</b>	<b>447.9</b>	<b>510.1</b>	<b>1,874.6</b>

# THE ECONOMY

## FOURTH QUARTER FY24

### NATIONAL ECONOMY

Real gross domestic product (real GDP) rose by 2.9 percent in the fourth quarter of FY24 over the fourth quarter of FY23. On an adjacent-quarter basis, real GDP rose 0.5 percent in the fourth quarter of FY24 over the third quarter of FY24. This is the eighth consecutive quarter of positive adjacent-quarter growth for real GDP. The last 10 adjacent-quarter growth rates are: -0.5, -0.1, 0.7, 0.6, 0.6, 0.5, 1.2, 0.8, 0.3, and 0.5 percent, respectively. Real GDP grew by a net \$637.4 billion in the fourth quarter of FY24 compared to the fourth quarter of FY23. The majority of this \$637.4 billion was generated by real consumption growth, which grew a net \$407.6 billion, while real investment made up the next largest share of real GDP growth with net growth of \$220.4 billion during that time.

Real consumption grew 2.7 percent in the fourth quarter of FY24. Real consumption growth has been quite stable for the last four consecutive quarters. The last 10 adjacent-quarter growth rates are: -0.003, 0.5, 0.4, 0.3, 0.9, 0.2, 0.8, 0.8, 0.5, and 0.6 percent, respectively. The mean adjacent-quarter growth rate for real consumption is 0.6 percent. So real consumption has hovered right around the mean for the last four consecutive quarters. Real consumption made up 68.9 percent of real GDP in the fourth quarter of FY24.

Real investment grew by 5.5 percent in the fourth quarter of FY24. The last 10 adjacent-quarter growth rates are: 1.5, -2.8, -2.0, 0.8, -2.3, 1.3, 2.4, 0.2, 0.8, and 2.0 percent, respectively. The mean adjacent-quarter growth rate for real investment is 0.7 percent. As the most volatile of the five real GDP components, real investment has fluctuated considerably over the last 10 quarters. It has remained above the mean growth rate for the last two quarters. Real investment made up 18.5 percent of real GDP in the fourth quarter of FY24.

Real government expenditures grew by 3.0 percent in the fourth quarter of FY24. Real government expenditures adjacent-quarter growth has tapered for the last four quarters. So, the large majority of that 3.0 percent annual growth occurred mostly in the first two quarters of FY24. The last 10 adjacent-quarter growth rates are: -0.7, -0.5, 0.7, 1.3, 1.2, 0.8, 1.4, 1.1, 0.3, and 0.1 percent, respectively. Real government expenditures made up 17.1 percent of real GDP in the fourth quarter of FY24.

Total outlays grew by 3.6 percent in the fourth quarter of FY24. Most of that growth occurred in the third quarter of FY24. Total outlays were expanding every quarter for the last eight quarters, until the fourth quarter of FY24 when adjacent-quarter

outlays declined by 0.3 percent compared to the third quarter of FY24. Outlay growth was increasing over the last four quarters, then abruptly fell in the fourth quarter of FY24. The last 10 adjacent-quarter growth rates are: -2.5, 1.0, 1.3, 1.8, 2.4, 0.3, 0.9, 1.0, 2.0, and -0.3 percent, respectively. So contrary to the real government expenditures pattern of growth, total outlays grew strongly for three of the last four quarters and was essentially flat for the fourth and most recent quarter. Outlays are composed of eight categories of expenditures with Federal Transfer Payments to Resident Persons being the largest category. See Table 18. Federal Transfer Payments to Resident Persons is made up of three subcategories: Social Security, Medicare, and other transfers.

Social Security, the largest component in the Federal Transfer Payments to Resident Persons category, is also the largest single expenditure among all outlays. Social Security grew by 6.3 percent in the fourth quarter of FY24 compared to the fourth quarter of FY23. However, the majority of that growth occurred in the third quarter of FY24. Adjacent-quarter growth tapered considerably in the fourth quarter of FY24. The last 10 adjacent-quarter growth rates are: 6.4, 0.7, 0.6, 0.9, 9.3, 1.0, 0.6, 1.0, 3.8, and 0.9 percent, respectively. Social Security made up 21.9 percent of total outlays in the fourth quarter of FY24.

The second largest outlay is Interest on the Debt. Interest on the Debt surpassed one trillion dollars (annual rate) in the second quarter of FY24 and has remained there for three consecutive quarters. Interest on the Debt grew 19.4 percent in the fourth quarter of FY24. While growth is still high, it has tapered some since the very high growth in the first half of FY22. The last 10 adjacent-quarter growth rates are: 3.8, 7.6, 10.2, 10.1, 5.3, 4.1, 7.9, 4.5, 3.3, and 2.5 percent, respectively. Interest on the Debt made up 16.5 percent of total outlays in the fourth quarter of FY24.

Real exports grew by 2.9 percent in the fourth quarter of FY24. The majority of that growth occurred in the first two quarters of FY24. Growth has softened over the last four quarters and the last two quarters growth was nearly flat. The last 10 adjacent-quarter growth rates are: -1.2, 2.5, 3.8, -0.9, 1.7, -2.4, 1.3, 1.2, 0.3, and 0.04 percent, respectively. Real exports made up 11.1 percent of real GDP in the fourth quarter of FY24.

Real imports grew by 5.4 percent in the fourth quarter of FY24. Real import growth is a function of American consumer demand, foreign supplier ability to provide goods that Americans wish to purchase, and exchange rates between the selling country and the US dollar. Following a period of declines, real imports have rebounded and has been growing modestly to robustly for the last four quarters. The last 10 adjacent-quarter growth rates are: 3.5, 1.0, -1.2, -1.1, 0.3, -2.0, 1.0, 0.5, 1.9, and 1.8 percent, respectively. The historical mean adjacent-quarter growth is 0.9 percent. So, real imports grew in three of the last four quarters by more than the historical mean growth. Real imports, a deduction from real GDP, made up 15.6 percent of real GDP in the fourth quarter of FY24.

Inflation, as reported by the Bureau of Labor Statistics, peaked in the fourth quarter of FY22 when inflation was 8.6 percent. Since then, inflation has tapered. Inflation in the fourth quarter of FY24 is 3.4 percent. This is a bit higher than it was in the second and third quarters of FY24, when inflation was reported as 3.2 percent each respectively. The last 10 reported inflation rates are: 8.0, 8.6, 8.3, 7.1, 5.7, 4.0, 3.6, 3.2, 3.2, and 3.4 percent, respectively.

The civilian labor force grew just 0.6 percent in the fourth quarter of FY24 compared to the fourth quarter of FY23. The labor force rose to 168.0 million in the first quarter of FY24, then fell for two consecutive quarters, then rose again back to 168.0 million in the fourth quarter of FY24.

The unemployed category of the civilian labor force (see Table 16) grew sharply in the fourth quarter of FY24 from a low base level, growing 12.6 percent over the fourth quarter of FY23. Most of the increase in unemployed occurred in the first and third quarters of FY24. The number of unemployed fell in the second quarter of FY24, but then rose again back to 6.45 million persons by the fourth quarter. During that time net unemployed rose very slightly from 6.39 million in the second quarter of FY22 to 6.45 million in the fourth quarter of FY24. The last 11 adjacent-quarter growth rates for Unemployed are: -23.8, 5.2, -14.0, 3.6, -8.3, 14.6, -8.9, 10.7, -6.4, 14.1, and -4.9 percent, respectively.

The labor force participation rate has been stable near 62.6 percent for six consecutive quarters. The rate for the prime working age population, ages 25-54, is at a 20-year high, but the rate for those 55 years and older has not recovered from the pandemic.

US non-farm employment grew by 1.8 percent in the fourth quarter of FY24 over the fourth quarter of FY23. US non-farm employment has grown in every quarter since the end of the 2020 recession. The mean adjacent-quarter growth is 0.2 percent for US non-farm employment. US non-farm employment has grown above the mean rate in all 13 quarters since the 2020 recession. However, the adjacent-quarter growth rates have tapered from a peak of 1.4 percent in the first quarter of FY22 to 0.4 percent in the fourth quarter of FY24. So, while 0.4 percent is still above the long-run mean, it has fallen considerably over the last 12 quarters. Arguably, the robust growth rates in FY22 resulted largely from the suspension of the shutdown orders that were put in place to maintain public health.

US non-farm employment growth in the fourth quarter of FY24 is 0.4 percent. So, growth now is slightly better than growth before the recession. The last 10 adjacent-quarter growth rates for US non-farm employment are: 1.1, 0.8, 0.9, 0.5, 0.6, 0.5, 0.4, 0.4, 0.5, and 0.4 percent, respectively.

Employment growth has returned to a near-normal pre-recession level. Leisure and hospitality growth is 2.5 percent in the fourth quarter of FY24. However, on an adjacent-quarter basis, leisure and hospitality growth is 0.6 percent, which is just a tiny bit better than pre-recession growth of 0.5 percent. Mean adjacent-quarter growth in leisure and hospitality services employment is 0.5 percent since the beginning of the millennium. Leisure and hospitality services employment only recently surpassed its pre-recession peak of 16.8 million jobs. Leisure and hospitality services employment was 16.9 million jobs in the fourth quarter of FY24. Leisure and hospitality employment made up 10.7 percent of total non-farm employment in the fourth quarter of FY24.

Therefore, the growth rates today, while still elevated from their pre-2020 recession levels, have come down from their peaks during the current recovery period. For the fourth quarter of FY24, educational services employment rose the fastest with 4.3 percent growth compared to the fourth quarter of FY23. Educational services employment surpassed its pre-recession level in the second quarter of FY23. Educational services employment is now 1.8 million jobs, or a net 7.3 percent above its pre-recession peak. Educational services employment made up 16.6 percent of total US non-farm employment in the fourth quarter of FY24. Educational services employment's share of total US non-farm employment pre-recession was 16.1 percent. This is the largest share change among all 11 supersectors.

Government employment grew by the largest amount in absolute terms, growing over 600,000 jobs in the fourth quarter of FY24 compared to the fourth quarter of FY23. US government employment figures include all federal government, state government, and local government employment. Recently US government employment surpassed its pre-recession level. Long-run adjacent-quarter mean growth is 0.1 percent. Growth has been above that mean in 13 of the last 16 quarters. The last 10 adjacent-quarter growth rates are: 0.02, 0.2, 0.7, 0.3, 0.9, 0.7, 0.6, 0.7, 0.8, and 0.5 percent, respectively. US government employment made up 14.7 percent of total non-farm employment in the fourth quarter of FY24.

Information services employment declined by 1.1 percent in the fourth quarter of FY24. This was the largest declining supersector in absolute and percentage terms. However, on an adjacent-quarter basis, information services employment has declined in five of the last six quarters. The last 10 adjacent-quarter growth rates are: 1.6, 2.0, 1.1, 0.2, -1.4, -0.3, -1.4, -0.3, 0.7, and -0.1 percent, respectively. Information services employment has hovered near 3.0 million for the last 12 consecutive quarters. Information services employment made up 1.9 percent of total non-farm employment in the fourth quarter of FY24.

US personal income grew by 4.7 percent in the fourth quarter of FY24. US personal income and all components of US personal income are in nominal dollars. Therefore, when inflation occurs, it will inflate the current value above the past value and that growth has nothing to do with the real economic growth of that series. The last 10 adjacent-quarter growth rates for US personal income are: 0.6, 1.2, 1.7, 1.2, 1.7, 1.0, 1.0, 0.7, 1.7, and 1.2 percent, respectively. All five contributing components to personal income grew at or above 4.1 percent in the fourth quarter.

US wages and salaries income grew the fastest in the fourth quarter of FY24, growing 5.0 percent above the fourth quarter of FY23. The long-run adjacent-quarter mean growth rates for US wages and salaries is 1.0 percent. The last 10 adjacent-quarter growth rates are: 1.2, 0.9, 2.6, 0.4, 2.2, 1.5, 1.6, 0.5, 1.4, and 1.4 percent, respectively. US wages and salaries made up 51.5 percent of total personal income in the fourth quarter of FY24.

## **KENTUCKY ECONOMY**

Kentucky non-farm employment rose 1.0 percent in the fourth quarter of FY24 or about 19,200 jobs. This is the 16th consecutive adjacent-quarter gain Kentucky non-farm employment. The long-run adjacent-quarter mean growth rate for Kentucky non-farm employment is 0.1 percent. Kentucky has been well above that mean for all but one quarter of the current expansion period. The rate of growth in employment is slowing down. The last five quarters of adjacent-quarter growth have been 0.3 percent or lower. The last 10 adjacent-quarter growth rates are: 0.6, 0.8, 0.9, 0.6, 0.9, 0.3, 0.3, 0.1, 0.2, and 0.3 percent, respectively.

Job increases in the fourth quarter of FY24 compared to the fourth quarter of FY23 were led by educational services, about 15,900 more jobs; government, about 6,500 more; and construction, about 3,600 more jobs. The declines were in trade, transportation, and utilities, about 3,400 fewer jobs; and manufacturing and finance services, both about 2,100 fewer jobs. See Table 19.

Kentucky personal income grew 5.4 percent in the fourth quarter of FY24 compared to the fourth quarter of FY23. All five contributing-components of personal income grew in the fourth quarter of FY24. The long-run adjacent-quarter personal income mean growth rate is 1.0 percent. Fourth quarter growth is 1.3 percent over the third quarter. The last 10 adjacent-quarter growth rates for Kentucky personal income are: 1.3, 0.8, 0.7, 0.5, 2.6, 0.6, 1.4, 0.8, 1.7, and 1.3 percent, respectively.

Kentucky wages and salary income was the fastest growing component of KY personal income in the fourth quarter of FY24, growing 7.1 percent compared to the fourth quarter of FY23. Kentucky wages and salaries made up 50.3 percent of total Kentucky personal income in the fourth quarter of FY24. Like US wages and salaries, KY wage and salaries growth is well-above the long-range mean during the current expansion period. KY wages and salaries has grown in every quarter since the end of the 2020 recession. The average adjacent-quarter growth rate is 2.2 percent during this expansion period. By comparison, the long-run adjacent-quarter mean growth rate is 0.9 percent for KY wages and salaries. The last 10 adjacent-quarter growth rates are: 1.7, 1.9, 2.8, -0.01, 3.9, 0.2, 3.0, 1.2, 1.1, and 1.7 percent, respectively.

Kentucky transfer receipts income grew 4.9 percent in the fourth quarter of FY24 compared to the fourth quarter of FY23. Kentucky transfer receipts made up 25.3 percent of total KY personal income in the fourth quarter of FY24. Kentucky transfer receipts were contracting up until the last two quarters. But the last two quarters, it has grown significantly. In the third quarter of FY24, KY transfer receipts income grew by 4.1 percent, or \$2.5 billion, compared to the second quarter of FY24. In the fourth quarter of FY24, KY transfer receipts income grew 1.4 percent, or \$0.9 billion, compared to the third quarter of FY24. The last 10 adjacent-quarter growth rates for KY transfer receipts income are: -0.1, -1.3, -2.8, 0.7, 1.8, 1.7, -0.6, -0.03, 4.1, and 1.4 percent, respectively.

**Table 16**  
**History of US Economic Series**

	FY23		FY24							
	Q4	% chg	Q1	% chg	Q2	% chg	Q3	% chg	Q4	% chg
Real GDP (\$ billions, AR)	22,225.4	2.4	22,490.7	2.9	22,679.3	3.1	22,749.8	2.9	22,862.8	2.9
Real Consumption	15,343.6	1.8	15,461.4	2.2	15,586.7	2.7	15,663.8	2.3	15,751.2	2.7
Real Investment	4,014.1	-2.2	4,111.1	2.1	4,118.7	1.5	4,151.7	4.7	4,234.5	5.5
Real Government Expenditures	3,789.8	4.1	3,843.4	4.8	3,887.0	4.6	3,899.9	3.8	3,903.8	3.0
Real Exports	2,464.7	2.1	2,497.3	-0.4	2,528.2	1.8	2,535.6	0.4	2,536.6	2.9
Real Imports	3,392.9	-3.9	3,428.0	-1.7	3,446.8	-0.1	3,510.9	1.5	3,575.7	5.4
CPI - All Goods (% chg)	4.0	NA	3.6	NA	3.2	NA	3.2	NA	3.4	NA
CPI - Food (% chg)	6.7	NA	4.3	NA	3.0	NA	2.3	NA	2.2	NA
CPI - Energy (% chg)	-11.2	NA	-5.8	NA	-3.9	NA	-1.4	NA	3.6	NA
Core CPI (% chg)	5.2	NA	4.4	NA	4.0	NA	3.8	NA	3.6	NA
Industrial Prod. Index (% chg)	0.0	NA	-0.1	NA	0.0	NA	-0.2	NA	0.0	NA
Working Population (millions, NSA)	266.6	1.1	267.2	1.1	267.8	1.2	267.7	0.6	268.3	0.6
Civilian Labor Force	166.9	1.7	168.0	1.9	167.5	1.9	167.2	0.7	168.0	0.6
Employed	161.2	1.8	161.7	1.7	161.5	1.6	160.4	0.5	161.6	0.2
Unemployed	5.7	-0.8	6.3	6.0	5.9	8.2	6.8	7.8	6.5	12.6
Not in Labor Force	99.7	0.2	99.2	-0.1	100.3	0.1	100.5	0.4	100.2	0.6
Labor Force Participation Rate (%)	62.6	NA	62.7	NA	62.6	NA	62.6	NA	62.6	NA
Unemployment Rate (%)	3.6	NA	3.7	NA	3.8	NA	3.8	NA	3.9	NA
Housing Starts (millions, AR)	1.5	-11.1	1.4	-5.5	1.5	5.8	1.4	2.5	1.4	-6.9

**Table 17**  
**History of US Labor and Income Data**

	FY23		FY24							
	Q4	% chg	Q1	% chg	Q2	% chg	Q3	% chg	Q4	% chg
Non-farm Employment (millions, NSA)	155.8	2.5	156.4	2.1	157.1	1.9	157.8	1.8	158.5	1.8
Goods-producing	21.6	2.1	21.6	1.6	21.7	1.3	21.8	1.2	21.8	1.2
Mining	0.6	6.6	0.6	5.1	0.6	2.9	0.6	1.4	0.6	-0.9
Construction	8.0	3.2	8.0	3.1	8.1	3.1	8.2	3.0	8.2	3.0
Manufacturing	12.9	1.2	12.9	0.5	12.9	0.1	13.0	0.2	13.0	0.2
Service-providing	111.5	2.5	111.9	2.0	112.3	1.8	112.8	1.7	113.4	1.7
Trade, Transportation & Utilities	28.9	0.8	28.9	0.4	28.9	0.5	28.9	0.4	29.0	0.6
Information	3.0	-0.3	3.0	-2.8	3.0	-3.3	3.0	-1.2	3.0	-1.1
Finance	9.2	1.6	9.2	1.5	9.2	1.0	9.2	0.9	9.2	0.4
Business Services	22.9	1.8	22.9	1.0	22.9	0.6	22.9	0.7	23.0	0.5
Educational Services	25.2	4.2	25.5	4.1	25.7	4.2	26.0	4.2	26.3	4.3
Leisure and Hospitality Services	16.5	5.5	16.7	4.3	16.8	3.6	16.8	2.7	16.9	2.5
Other Services	5.8	2.4	5.8	2.3	5.9	1.8	5.9	1.7	5.9	1.7
Government	22.7	2.7	22.8	2.6	23.0	3.0	23.2	2.9	23.3	2.7
Personal Income (\$ billions, AR)	22,868.0	5.6	23,085.7	4.8	23,247.5	4.4	23,652.0	4.5	23,934.9	4.7
Wages and Salaries	11,733.3	6.8	11,917.5	5.7	11,976.0	5.8	12,141.8	5.0	12,315.4	5.0
Transfer Receipts	4,120.1	3.2	4,093.7	2.8	4,086.8	0.3	4,255.3	3.7	4,316.9	4.8
Dividends, Interest, and Rents	4,563.7	6.6	4,580.9	5.4	4,655.4	5.0	4,722.0	4.4	4,751.9	4.1
Supplements to Wages and Salaries	2,420.9	5.0	2,451.2	4.9	2,472.1	4.8	2,506.2	4.4	2,532.8	4.6
Proprietors' Income	1,824.1	2.8	1,859.6	2.9	1,882.6	3.1	1,890.4	3.4	1,901.5	4.2
Social Insurance	1,794.0	6.5	1,817.1	5.3	1,825.5	5.3	1,863.7	5.1	1,883.4	5.0
Residential Adjustment	0.0	NA	0.0	NA	0.0	NA	0.0	NA	0.0	NA

**Table 18**  
**US Federal Outlays**  
**\$ billions, AR**

	Q4			
	FY24	FY23	\$ Chg	% Chg
Federal Outlays excl. Gross Investment	6,576.6	6,346.3	230.3	3.6
National Defense	798.7	764.9	33.9	4.4
Non-Defense Consumption	584.7	542.3	42.3	7.8
Federal Transfer Payments to Resident Persons	3,073.4	2,929.7	143.7	4.9
Medicare	977.8	941.9	35.9	3.8
Social Security	1,439.2	1,353.8	85.5	6.3
Social Insurance to Rest of the World	43.4	31.8	11.7	36.7
Grants-in-Aid to State & Local Govts	839.1	974.1	-134.9	-13.9
Medicaid	580.0	639.7	-59.7	-9.3
Non-Medicaid Grants to State & Local Govts	259.1	334.4	-75.2	-22.5
Aid to Foreign Govts	50.0	89.9	-39.9	-44.4
Interest on the Debt	1,086.2	909.6	176.6	19.4
Subsidies	101.0	99.2	1.8	1.8



**Table 19**  
**History of KY Labor and Income Data**

	FY23		FY24							
	Q4	% chg	Q1	% chg	Q2	% chg	Q3	% chg	Q4	% chg
Non-farm Employment (thousands, NSA)	2,015.5	2.8	2,021.2	2.2	2,023.4	1.6	2,028.0	1.0	2,034.7	1.0
Goods-producing	354.6	3.4	356.1	2.7	355.6	2.1	355.7	1.4	356.6	0.6
Mining	8.7	6.1	8.6	2.9	8.7	2.8	9.0	3.1	9.2	6.1
Construction	88.9	7.6	90.1	7.1	90.8	6.5	90.7	3.1	92.5	4.0
Manufacturing	257.0	1.9	257.5	1.2	256.2	0.6	256.0	0.7	254.9	-0.8
Service-providing	1,354.0	2.6	1,356.4	1.8	1,356.0	1.2	1,359.7	0.5	1,364.7	0.8
Trade, Transportation & Utilities	428.0	1.0	427.3	0.3	426.7	-0.1	425.0	-0.6	424.6	-0.8
Information	23.2	8.1	23.2	4.6	22.6	-0.9	22.7	-1.7	22.4	-3.4
Finance	97.0	0.0	96.7	0.1	96.3	0.3	95.3	-2.1	94.9	-2.1
Business Services	230.3	0.7	230.1	-0.1	226.8	-1.2	227.3	-1.1	228.3	-0.9
Educational Services	300.9	4.9	303.6	4.2	307.0	4.1	311.1	3.8	316.8	5.3
Leisure and Hospitality Services	203.2	4.4	203.4	2.8	204.5	2.1	205.8	0.8	205.2	1.0
Other Services	71.5	7.0	72.0	5.5	72.2	4.1	72.5	2.1	72.5	1.4
Government	306.9	2.7	308.6	3.5	311.7	3.1	312.6	2.6	313.4	2.1
Personal Income (\$ billions, AR)	244.0	4.4	247.5	5.2	249.6	5.6	253.8	4.7	257.1	5.4
Wages and Salaries	120.7	7.0	124.3	7.2	125.8	8.5	127.1	5.5	129.3	7.1
Transfer Receipts	62.0	1.4	61.6	3.6	61.6	2.9	64.1	5.2	65.0	4.9
Dividends, Interest, and Rents	39.6	4.3	39.7	3.4	40.2	3.5	40.4	2.6	40.5	2.2
Supplements to Wages and Salaries	28.2	4.5	28.9	5.8	29.3	7.0	29.6	4.7	29.9	6.1
Proprietors' Income	17.1	1.3	17.4	3.2	17.5	2.1	17.7	2.6	17.8	4.1
Social Insurance	19.3	6.3	19.8	6.5	20.1	7.9	20.3	5.1	20.5	6.2
Residential Adjustment	-4.3	NA	-4.6	NA	-4.6	NA	-4.7	NA	-4.9	NA

**Table 20**  
**History and Outlook**  
**Annual Growth Rates (%)**

	FY23				FY24				FY25		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>United States</b>											
Real GDP	1.7	0.7	1.7	2.4	2.9	3.1	2.9	2.9	2.1	1.6	1.8
Real Consumption	1.9	1.2	2.1	1.8	2.2	2.7	2.3	2.7	2.5	2.1	2.1
Real Investment	2.9	-2.4	-6.1	-2.2	2.1	1.5	4.7	5.5	3.0	3.1	2.9
Real Government Expenditures	-0.6	0.8	2.7	4.1	4.8	4.6	3.8	3.0	1.9	0.9	0.8
Real Exports	11.1	4.3	7.3	2.1	-0.4	1.8	0.4	2.9	2.5	2.0	2.5
Real Imports	8.2	2.1	-1.0	-3.9	-1.7	-0.1	1.5	5.4	5.4	5.5	4.5
Personal Income	4.2	4.7	5.8	5.6	4.8	4.4	4.5	4.7	4.9	5.5	5.2
Wage & Salary	7.9	5.2	6.2	6.8	5.7	5.8	5.0	5.0	4.6	5.3	5.0
Industrial Production Index	3.5	1.8	0.9	0.0	-0.1	0.0	-0.2	0.0	-0.4	0.2	0.7
Total Non-farm Employment	4.1	3.3	2.8	2.5	2.1	1.9	1.8	1.8	1.7	1.5	1.1
Manufacturing Employment	3.9	3.2	2.2	1.2	0.5	0.1	0.2	0.2	0.2	-0.5	-2.1
Unemployment Rate	3.6	3.6	3.5	3.6	3.7	3.8	3.8	3.9	3.9	3.9	4.0
<b>Kentucky</b>											
Personal Income	3.0	3.3	4.6	4.4	5.2	5.6	4.7	5.4	4.8	4.9	4.5
Wage & Salary	9.5	6.6	8.8	7.0	7.2	8.5	5.5	7.1	5.0	4.7	4.6
Non-farm Employment	3.6	2.9	3.3	2.8	2.2	1.6	1.0	1.0	1.2	1.2	1.0
Goods Producing	5.1	4.3	4.1	3.4	2.7	2.1	1.4	0.6	-1.7	-1.9	-2.6
Service Providing	4.0	3.0	3.3	2.6	1.8	1.2	0.5	0.8	1.7	1.9	1.8
Government	0.1	1.1	2.2	2.7	3.5	3.1	2.6	2.1	2.4	1.6	1.5

# **APPENDIX A**

## **General Fund and Road Fund Revenue Receipts**

**Fourth Quarter FY24**

## KENTUCKY STATE GOVERNMENT - GENERAL FUND REVENUE

	Fourth Quarter FY 2024	Fourth Quarter FY 2023	% Change	Year-To-Date FY 2024	Year-To-Date FY 2023	% Change
<b>TOTAL GENERAL FUND</b>	<b>\$4,296,813,453</b>	<b>\$4,298,177,892</b>	<b>0.0%</b>	<b>\$15,571,258,639</b>	<b>\$15,147,662,170</b>	<b>2.8%</b>
<b>Tax Receipts</b>	<b>\$4,083,348,546</b>	<b>\$4,109,133,461</b>	<b>-0.6%</b>	<b>\$14,792,490,987</b>	<b>\$14,527,687,760</b>	<b>1.8%</b>
<b>Sales and Gross Receipts</b>	<b>\$1,717,956,373</b>	<b>\$1,711,934,302</b>	<b>0.4%</b>	<b>\$6,719,517,184</b>	<b>\$6,453,385,746</b>	<b>4.1%</b>
Beer Consumption	2,440,517	1,516,986	60.9%	6,847,863	6,064,945	12.9%
Beer Wholesale	17,295,052	17,542,172	-1.4%	69,087,217	69,440,398	-0.5%
Cigarette	69,287,182	76,022,943	-8.9%	270,459,361	299,280,936	-9.6%
Distilled Spirits Case Sales	61,160	60,825	0.6%	300,887	234,898	28.1%
Distilled Spirits Consumption	4,984,386	4,992,164	-0.2%	19,217,935	18,828,726	2.1%
Distilled Spirits Wholesale	19,522,400	19,495,361	0.1%	76,458,261	73,923,974	3.4%
Insurance Premium	69,386,712	64,958,545	6.8%	221,184,299	195,995,018	12.9%
Pari-Mutuel	18,920,515	16,748,054	13.0%	65,586,754	56,281,309	16.5%
Race Track Admission	0	0	---	0	63,820	-100.0%
Sales and Use	1,467,537,338	1,467,056,774	0.0%	5,802,582,156	5,576,312,025	4.1%
Wine Consumption	747,386	761,046	-1.8%	3,048,562	3,159,312	-3.5%
Wine Wholesale	5,005,719	5,090,180	-1.7%	20,126,299	20,382,672	-1.3%
Telecommunications Tax	20,168,450	18,030,210	11.9%	80,709,719	75,663,030	6.7%
Other Tobacco Products	11,569,433	9,468,215	22.2%	42,617,956	41,979,246	1.5%
Floor Stock Tax	38,316	180	---	39,359	2,666	1376.5%
Car Rental & Ride Sharing	10,991,808	10,190,648	7.9%	41,250,554	15,772,771	161.5%
<b>Natural Resources</b>	<b>\$28,785,645</b>	<b>\$34,461,756</b>	<b>-16.5%</b>	<b>\$115,048,798</b>	<b>\$147,031,423</b>	<b>-21.8%</b>
Coal Severance	19,034,006	22,635,123	-15.9%	77,833,048	96,553,542	-19.4%
Oil Production	1,757,050	1,627,894	7.9%	6,024,470	7,565,799	-20.4%
Minerals Severance	6,904,348	7,046,817	-2.0%	27,600,394	26,321,853	4.9%
Natural Gas Severance	1,090,241	3,151,922	-65.4%	3,590,886	16,590,229	-78.4%
<b>Individual Income Tax</b>	<b>\$1,626,539,226</b>	<b>\$1,741,025,562</b>	<b>-6.6%</b>	<b>\$5,807,499,108</b>	<b>\$5,843,883,534</b>	<b>-0.6%</b>
Withholding	1,133,668,932	1,266,841,233	-10.5%	4,774,724,862	5,108,675,646	-6.5%
Declarations	211,505,760	292,405,157	-27.7%	448,403,001	634,549,279	-29.3%
Net Returns	52,112,556	180,411,534	-71.1%	(188,086,505)	105,541,005	---
Fiduciary	3,432,984	515,960	565.4%	(19,456,812)	(5,734,074)	---
Pass-Through Entity Tax	225,818,994	851,678	---	791,914,561	851,678	---
<b>Major Business Taxes</b>	<b>\$603,047,483</b>	<b>\$521,934,961</b>	<b>15.5%</b>	<b>\$1,249,136,483</b>	<b>\$1,221,612,834</b>	<b>2.3%</b>
Corporation Income	425,948,926	423,522,576	0.6%	913,372,008	1,006,250,613	-9.2%
LLET	177,098,557	98,412,385	80.0%	335,764,475	215,362,221	55.9%
<b>Property</b>	<b>\$81,137,744</b>	<b>\$78,243,245</b>	<b>3.7%</b>	<b>\$808,162,087</b>	<b>\$774,375,669</b>	<b>4.4%</b>
General - Real	6,024,191	4,704,295	28.1%	361,140,907	338,783,090	6.6%
General - Tangible	7,297,383	8,972,052	-18.7%	136,767,551	136,505,807	0.2%
Tangible - Motor Vehicle	65,505,518	64,473,632	1.6%	198,448,597	197,506,861	0.5%
Omitted & Delinquent	(6,345,812)	(2,351,581)	---	20,797,642	17,215,367	20.8%
Public Service	8,540,212	2,481,013	244.2%	86,054,426	80,924,768	6.3%
Other	116,251	(36,166)	---	4,952,963	3,439,776	44.0%
<b>Inheritance Tax</b>	<b>\$18,488,974</b>	<b>\$15,851,125</b>	<b>16.6%</b>	<b>\$75,635,004</b>	<b>\$71,809,112</b>	<b>5.3%</b>
<b>Miscellaneous</b>	<b>\$7,393,101</b>	<b>\$5,682,510</b>	<b>30.1%</b>	<b>\$17,492,324</b>	<b>\$15,589,443</b>	<b>12.2%</b>
License and Privilege	\$630,015	\$850,114	-25.9%	1,944,461	2,268,760	-14.3%
Bank Franchise	\$1,346,624	(\$608,548)	---	542,654	(1,240,636)	---
Legal Process	2,486,077	2,191,123	13.5%	9,102,747	9,173,850	-0.8%
T. V. A. In Lieu Payments	2,907,960	2,908,728	0.0%	5,872,896	5,018,465	17.0%
Other	22,427	341,093	-93.4%	29,566	369,004	-92.0%
<b>Nontax Receipts</b>	<b>\$212,596,905</b>	<b>\$188,491,504</b>	<b>12.8%</b>	<b>\$776,477,108</b>	<b>\$611,879,618</b>	<b>26.9%</b>
Departmental Fees	6,624,252	6,278,363	5.5%	18,050,560	15,961,962	13.1%
PSC Assessment Fee	2,912,265	1,696,005	71.7%	14,079,612	11,910,522	18.2%
Fines & Forfeitures	5,147,287	5,371,739	-4.2%	21,926,522	19,798,963	10.7%
Income on Investments	85,493,538	62,379,464	37.1%	300,188,056	150,510,534	99.4%
Lottery	84,025,831	89,683,817	-6.3%	343,574,700	336,974,700	2.0%
Miscellaneous	28,393,730	23,082,114	23.0%	78,657,657	76,722,937	2.5%
<b>Redeposit of State Funds</b>	<b>\$868,001</b>	<b>\$552,927</b>	<b>57.0%</b>	<b>\$2,290,543</b>	<b>\$8,094,791</b>	<b>-71.7%</b>

## KENTUCKY STATE GOVERNMENT - ROAD FUND REVENUE

	<b>Fourth Quarter FY 2024</b>	<b>Fourth Quarter FY 2023</b>	<b>% Change</b>	<b>Year-To-Date FY 2024</b>	<b>Year-To-Date FY 2023</b>	<b>% Change</b>
<b>TOTAL STATE ROAD FUND</b>	<b>\$510,062,258</b>	<b>\$482,135,300</b>	<b>5.8%</b>	<b>\$1,874,570,513</b>	<b>\$1,753,323,281</b>	<b>6.9%</b>
<b>Tax Receipts-</b>	<b>\$496,670,070</b>	<b>\$473,174,127</b>	<b>5.0%</b>	<b>\$1,830,583,626</b>	<b>\$1,717,417,646</b>	<b>6.6%</b>
<b>Sales and Gross Receipts</b>	<b>\$413,044,423</b>	<b>\$388,104,952</b>	<b>6.4%</b>	<b>\$1,576,573,167</b>	<b>\$1,458,609,862</b>	<b>8.1%</b>
Motor Fuels Taxes	235,321,897	215,667,449	9.1%	905,442,929	798,263,863	13.4%
Motor Vehicle Usage	177,615,638	172,437,503	3.0%	670,961,957	660,345,999	1.6%
EV Charging Station Tax	106,888	0	---	168,281	0	---
<b>License and Privilege</b>	<b>\$83,625,647</b>	<b>\$85,069,175</b>	<b>-1.7%</b>	<b>\$254,010,459</b>	<b>\$258,807,784</b>	<b>-1.9%</b>
Motor Vehicles	48,635,469	50,222,160	-3.2%	119,531,390	126,713,604	-5.7%
Motor Vehicle Operators	8,483,897	8,449,442	0.4%	32,689,269	29,736,792	9.9%
Weight Distance	21,459,805	21,531,472	-0.3%	86,794,007	87,722,299	-1.1%
Truck Decal Fees	78,360	88,220	-11.2%	199,820	240,000	-16.7%
Other Special Fees	4,968,117	4,777,881	4.0%	14,795,972	14,395,089	2.8%
<b>Nontax Receipts</b>	<b>\$13,269,727</b>	<b>\$8,892,183</b>	<b>49.2%</b>	<b>\$42,039,415</b>	<b>\$35,523,095</b>	<b>18.3%</b>
Departmental Fees	5,388,823	5,904,021	-8.7%	19,685,933	24,785,707	-20.6%
In Lieu of Traffic Fines	41,790	78,195	-46.6%	178,800	443,040	-59.6%
Income on Investments	5,359,466	1,785,794	---	14,617,002	6,308,931	131.7%
Miscellaneous	1,255,888	1,124,174	11.7%	6,111,739	3,985,418	53.4%
Hybrid/Electric Annual Fee	1,223,761	0	---	1,445,941	0	---
<b>Redeposit of State Funds</b>	<b>\$122,460</b>	<b>\$68,990</b>	<b>77.5%</b>	<b>\$1,947,472</b>	<b>\$382,540</b>	<b>409.1%</b>

## **APPENDIX B**

### **Summary Statistics for General Fund Major Revenue Sources Fiscal Years 2015- 2024 (\$)**

	FY15	FY16	FY17	FY18	FY19
<b>TOTAL GENERAL FUND</b>	<b>9,966,630,897</b>	<b>10,338,884,795</b>	<b>10,477,848,874</b>	<b>10,838,200,084</b>	<b>11,392,698,460</b>
<b>Tax Receipts</b>	<b>9,637,987,521</b>	<b>9,988,342,493</b>	<b>10,132,685,779</b>	<b>10,497,829,798</b>	<b>10,988,227,884</b>
<b>Sales and Gross Receipts</b>	<b>3,854,700,860</b>	<b>4,062,700,426</b>	<b>4,086,441,364</b>	<b>4,211,205,101</b>	<b>4,717,609,351</b>
Beer Consumption	6,071,389	6,557,744	6,205,443	6,069,024	5,885,046
Beer Wholesale	57,570,011	61,161,655	59,525,060	59,119,872	56,215,810
Cigarette	220,902,529	224,303,658	221,375,451	211,834,789	353,452,495
Cigarette Floor Stock	11,502	8,108	6,040	-3,399	21,289,650
Distilled Spirits Case Sales	132,802	136,488	153,781	155,861	163,929
Distilled Spirits Consumption	12,468,749	12,823,273	14,237,920	14,288,035	14,756,577
Distilled Spirits Wholesale	36,471,357	38,886,865	44,064,952	45,559,663	49,288,861
Insurance Premium	146,480,663	145,250,375	148,188,827	157,154,273	165,476,033
Pari-Mutuel	2,964,884	4,993,574	6,807,535	7,894,063	14,578,083
Race Track Admission	155,426	229,416	174,356	195,837	214,345
Sales and Use	3,267,331,025	3,462,704,116	3,485,215,349	3,605,661,335	3,937,610,039
Wine Consumption	2,912,784	3,102,163	3,084,190	3,165,448	3,143,994
Wine Wholesale	16,323,658	16,583,413	18,289,377	17,445,613	17,608,228
Telecommunications Tax	63,575,235	64,681,001	57,540,002	61,125,754	55,757,372
Other Tobacco Products	21,328,845	21,278,667	21,573,080	21,538,933	22,168,888
Car Rental & Ride Sharing	-	-	-	-	-
<b>License and Privilege</b>	<b>101,926,285</b>	<b>111,094,998</b>	<b>107,690,065</b>	<b>117,424,507</b>	<b>121,663,708</b>
Alc. Bev. License & Suspension	450,542	480,675	367,853	559,200	320,000
Corporation License	188,600	135,698	7,423	11,596	62,947
Corporation Organization	186,635	136,720	982,251	54,471	314,310
Occupational Licenses	202,297	289,193	229,579	216,991	193,778
Race Track License	247,766	324,375	276,596	278,500	268,875
Bank Franchise Tax	99,990,669	109,049,728	105,129,792	115,617,923	119,821,064
Driver License Fees	659,776	678,609	696,570	685,826	682,734
<b>Natural Resources</b>	<b>220,613,349</b>	<b>149,405,136</b>	<b>130,063,924</b>	<b>122,972,027</b>	<b>127,756,984</b>
Coal Severance	180,283,352	120,610,311	100,455,465	89,643,238	92,906,947
Oil Production	9,840,015	4,748,862	5,120,700	5,360,469	5,910,918
Minerals Severance	15,128,385	17,596,331	16,923,270	18,181,584	18,926,560
Natural Gas Severance	15,361,597	6,449,632	7,564,489	9,786,736	10,012,558
<b>Income</b>	<b>4,821,410,590</b>	<b>5,011,709,477</b>	<b>5,136,952,770</b>	<b>5,353,058,930</b>	<b>5,307,357,898</b>
Corporation	528,118,737	526,637,870	497,479,037	511,352,679	555,976,332
Individual	4,069,500,570	4,282,080,975	4,393,862,556	4,603,578,834	4,544,676,175
LLET	223,791,283	202,990,632	245,611,177	238,127,417	206,705,391
<b>Property</b>	<b>563,435,472</b>	<b>577,548,052</b>	<b>602,095,597</b>	<b>621,260,307</b>	<b>647,009,309</b>
Bank Deposits	588,914	632,587	644,459	676,071	666,267
Building & Loan Association	1,482,051	2,191,706	2,369,893	2,158,239	1,701,042
Distilled Spirits	891,761	961,388	1,020,812	1,149,557	1,372,441
General - Real	259,228,298	268,087,934	273,935,818	283,388,656	293,725,321
General - Tangible	226,137,118	237,464,692	244,469,542	254,292,498	258,458,750
Omitted & Delinquent	16,237,196	11,991,240	15,966,205	16,274,357	20,097,838
Public Service	58,864,760	56,210,797	63,680,782	63,313,796	70,981,420
Other	5,374	7,708	8,087	7,133	6,230
<b>Inheritance</b>	<b>50,975,858</b>	<b>51,247,149</b>	<b>44,699,808</b>	<b>48,248,219</b>	<b>44,434,124</b>
<b>Miscellaneous</b>	<b>24,925,107</b>	<b>24,637,267</b>	<b>24,742,251</b>	<b>23,660,706</b>	<b>22,396,511</b>
Legal Process	15,435,811	14,479,452	13,299,585	13,035,070	13,135,526
T. V. A. In Lieu Payments	9,452,432	10,119,811	11,350,177	10,575,611	9,251,250
Other	36,863	38,005	92,490	50,025	9,735
<b>Nontax Receipts</b>	<b>326,949,419</b>	<b>344,822,276</b>	<b>335,817,562</b>	<b>334,713,465</b>	<b>393,632,360</b>
Departmental Fees	22,036,475	21,891,588	21,805,380	22,657,477	17,464,180
PSC Assessment Fee	20,829,264	14,367,915	13,784,610	16,218,175	19,665,109
Fines & Forfeitures	22,771,487	21,204,392	19,676,290	17,829,955	19,960,970
Interest on Investments	213,267	287,789	-1,129,875	-7,611,235	-10,553,105
Lottery	221,500,000	241,778,429	241,627,129	253,000,000	263,946,017
Sale of NOx Credits	27,594	0	0	0	0
Miscellaneous	39,571,333	45,292,162	40,054,028	32,619,094	83,149,189
<b>Redeposit of State Funds</b>	<b>1,693,958</b>	<b>5,720,026</b>	<b>9,345,533</b>	<b>5,656,821</b>	<b>10,838,216</b>

	FY20	FY21	FY22	FY23	FY24
<b>TOTAL GENERAL FUND</b>	<b>11,566,621,672</b>	<b>12,827,432,329</b>	<b>14,702,460,457</b>	<b>15,147,662,170</b>	<b>15,571,258,639</b>
<b>Tax Receipts</b>	<b>11,185,135,285</b>	<b>12,414,752,386</b>	<b>14,072,971,696</b>	<b>14,527,687,760</b>	<b>14,792,490,987</b>
<b>Sales and Gross Receipts</b>	<b>4,859,752,240</b>	<b>5,407,385,853</b>	<b>5,909,080,340</b>	<b>6,453,385,746</b>	<b>6,719,517,184</b>
Beer Consumption	6,147,066	6,200,831	6,278,125	6,064,945	6,847,863
Beer Wholesale	61,686,347	63,363,832	66,130,324	69,440,398	69,087,217
Cigarette	354,965,469	349,939,662	324,467,834	299,280,936	270,459,361
Cigarette Floor Stock	51,120	6,958	-24,238	2,666	39,359
Distilled Spirits Case Sales	180,755	202,034	227,894	234,898	300,887
Distilled Spirits Consumption	15,928,560	17,520,621	18,524,507	18,828,726	19,217,935
Distilled Spirits Wholesale	53,860,774	62,862,108	70,704,041	73,923,974	76,458,261
Insurance Premium	168,803,965	176,537,254	167,305,685	195,995,018	221,184,299
Pari-Mutuel	15,771,742	31,229,897	47,733,411	56,281,309	65,586,754
Race Track Admission	143,685	21,551	135,855	63,820	0
Sales and Use	4,070,905,629	4,561,017,999	5,062,877,350	5,576,312,025	5,802,582,156
Wine Consumption	3,261,354	3,461,261	3,336,159	3,159,312	3,048,562
Wine Wholesale	17,837,410	19,936,744	20,558,086	20,382,672	20,126,299
Telecommunications Tax	68,074,621	73,910,160	76,442,297	75,663,030	80,709,719
Other Tobacco Products	22,133,743	41,174,942	44,383,011	41,979,246	42,617,956
Car Rental & Ride Sharing	-	-	-	15,772,771	41,250,554
<b>License and Privilege</b>	<b>125,203,420</b>	<b>117,938,539</b>	<b>2,454,271</b>	<b>1,028,124</b>	<b>2,487,114</b>
Alc. Bev. License & Suspension	264,150	225,350	303,050	601,000	499,153
Corporation License	83,625	197,340	146,936	7,280	69,170
Corporation Organization	65,992	35,791	56,907	321,434	55,827
Occupational Licenses	173,320	272,299	246,572	289,802	237,683
Race Track License	242,717	242,691	222,000	199,400	183,500
Bank Franchise Tax	123,097,210	116,008,780	622,155	-1,240,636	542,654
Driver License Fees	1,276,406	956,288	856,652	849,844	899,127
<b>Natural Resources</b>	<b>87,324,689</b>	<b>84,445,676</b>	<b>109,019,465</b>	<b>147,031,423</b>	<b>115,048,798</b>
Coal Severance	58,820,499	56,073,988	70,653,864	96,553,542	77,833,048
Oil Production	4,591,931	4,200,401	7,547,757	7,565,799	6,024,470
Minerals Severance	19,425,087	20,607,726	21,366,602	26,321,853	27,600,394
Natural Gas Severance	4,487,171	3,563,561	9,451,241	16,590,229	3,590,886
<b>Income</b>	<b>5,404,391,683</b>	<b>6,026,619,268</b>	<b>7,234,132,602</b>	<b>7,065,496,368</b>	<b>7,056,635,591</b>
Corporation	346,366,518	608,017,501	932,591,148	1,006,250,613	913,372,008
Individual	4,765,235,522	5,143,769,886	6,047,528,269	5,843,883,534	5,807,499,108
LLET	292,789,644	274,831,881	254,013,185	215,362,221	335,764,475
<b>Property</b>	<b>643,046,099</b>	<b>702,475,525</b>	<b>723,856,929</b>	<b>774,375,669</b>	<b>808,162,087</b>
Bank Deposits	699,983	836,189	944,556	971,637	938,980
Building & Loan Association	1,609,784	51,057	0	0	0
Distilled Spirits	1,580,059	1,751,298	1,953,945	2,453,430	3,124,610
General - Real	304,018,815	317,378,436	325,304,165	338,783,090	361,140,907
General - Tangible	251,537,841	291,489,619	303,570,938	334,012,668	335,216,148
Omitted & Delinquent	12,184,648	17,994,932	17,426,031	17,215,367	20,797,642
Public Service	71,408,609	72,960,107	74,646,764	80,924,768	86,054,426
Other	6,360	13,887	10,530	14,709	889,374
<b>Inheritance</b>	<b>46,322,174</b>	<b>62,068,793</b>	<b>81,264,890</b>	<b>71,809,112</b>	<b>75,635,004</b>
<b>Miscellaneous</b>	<b>19,094,980</b>	<b>13,818,732</b>	<b>13,163,199</b>	<b>14,561,319</b>	<b>15,005,209</b>
Legal Process	11,554,463	10,161,708	9,879,393	9,173,850	9,102,747
T. V. A. In Lieu Payments	6,657,123	3,252,452	3,208,136	5,018,465	5,872,896
Other	883,395	404,571	75,670	369,004	29,566
<b>Nontax Receipts</b>	<b>363,353,087</b>	<b>393,971,345</b>	<b>623,610,826</b>	<b>611,879,618</b>	<b>776,477,108</b>
Departmental Fees	15,286,507	11,508,943	13,891,710	15,961,962	18,050,560
PSC Assessment Fee	14,921,519	16,663,260	15,819,870	11,910,522	14,079,612
Fines & Forfeitures	15,576,601	12,728,359	18,644,759	19,798,963	21,926,522
Interest on Investments	-6,147,796	-344,153	585,342	150,510,534	300,188,056
Lottery	271,363,344	289,100,000	295,000,000	336,974,700	343,574,700
Sale of NOx Credits	0	0	0	0	0
Miscellaneous	52,352,911	64,314,936	279,669,144	76,722,937	78,657,657
<b>Redeposit of State Funds</b>	<b>18,133,300</b>	<b>18,708,597</b>	<b>5,877,936</b>	<b>8,094,791</b>	<b>2,290,543</b>

**General Fund Growth Rates  
Major Revenue Sources  
Fiscal Years 2015 – 2024  
(%)**



	FY15	FY16	FY17	FY18	FY19
<b>TOTAL GENERAL FUND</b>	<b>5.3%</b>	<b>3.7%</b>	<b>1.3%</b>	<b>3.4%</b>	<b>5.1%</b>
<b>Tax Receipts</b>	<b>5.6%</b>	<b>3.6%</b>	<b>1.4%</b>	<b>3.6%</b>	<b>4.7%</b>
<b>Sales and Gross Receipts</b>	<b>3.7%</b>	<b>5.4%</b>	<b>0.6%</b>	<b>3.1%</b>	<b>12.0%</b>
Beer Consumption	-2.5%	8.0%	-5.4%	-2.2%	-3.0%
Beer Wholesale	-0.7%	6.2%	-2.7%	-0.7%	-4.9%
Cigarette	-3.1%	1.5%	-1.3%	-4.3%	66.9%
Cigarette Floor Stock	-709.6%	-29.5%	-25.5%	-156.3%	---
Distilled Spirits Case Sales	---	2.8%	12.7%	1.4%	5.2%
Distilled Spirits Consumption	4.2%	2.8%	11.0%	0.4%	3.3%
Distilled Spirits Wholesale	7.8%	6.6%	13.3%	3.4%	8.2%
Insurance Premium	3.4%	-0.8%	2.0%	6.1%	5.3%
Pari-Mutuel	---	68.4%	36.3%	16.0%	84.7%
Race Track Admission	-27.4%	47.6%	-24.0%	12.3%	9.5%
Sales and Use	4.4%	6.0%	0.7%	3.5%	9.2%
Wine Consumption	0.6%	6.5%	-0.6%	2.6%	-0.7%
Wine Wholesale	5.2%	1.6%	10.3%	-4.6%	0.9%
Telecommunications Tax	-0.5%	1.7%	-11.0%	6.2%	-8.8%
Other Tobacco Products	2.0%	-0.2%	1.4%	-0.2%	2.9%
Car Rental & Ride Sharing	---	---	---	---	---
<b>License and Privilege</b>	<b>-3.1%</b>	<b>9.0%</b>	<b>-3.1%</b>	<b>9.0%</b>	<b>3.6%</b>
Alc. Bev. License Suspension	31.0%	6.7%	-23.5%	52.0%	-42.8%
Corporation License	-76.8%	-28.0%	-94.5%	56.2%	442.8%
Corporation Organization	293.0%	-26.7%	618.4%	-94.5%	477.0%
Occupational Licenses	-5.5%	43.0%	-20.6%	-5.5%	-10.7%
Race Track License	-14.9%	30.9%	-14.7%	0.7%	-3.5%
Bank Franchise Tax	-2.8%	9.1%	-3.6%	10.0%	3.6%
Driver License Fees	7.7%	2.9%	2.6%	-1.5%	-0.5%
<b>Natural Resources</b>	<b>-8.8%</b>	<b>-32.3%</b>	<b>-12.9%</b>	<b>-5.5%</b>	<b>3.9%</b>
Coal Severance	-8.7%	-33.1%	-16.7%	-10.8%	3.6%
Oil Production	-25.0%	-51.7%	7.8%	4.7%	10.3%
Minerals Severance	23.0%	16.3%	-3.8%	7.4%	4.1%
Natural Gas Severance	-19.3%	-58.0%	17.3%	29.4%	2.3%
<b>Income</b>	<b>9.0%</b>	<b>3.9%</b>	<b>2.5%</b>	<b>4.2%</b>	<b>-0.9%</b>
Corporation	11.2%	-0.3%	-5.5%	2.8%	8.7%
Individual	8.5%	5.2%	2.6%	4.8%	-1.3%
LLET	12.3%	-9.3%	21.0%	-3.0%	-13.2%
<b>Property</b>	<b>0.2%</b>	<b>2.5%</b>	<b>4.3%</b>	<b>3.2%</b>	<b>4.1%</b>
Bank Deposits	1.3%	7.4%	1.9%	4.9%	-1.5%
Building & Loan Association	-18.0%	47.9%	8.1%	-8.9%	-21.2%
Distilled Spirits	4.3%	7.8%	6.2%	12.6%	19.4%
General - Real	0.4%	3.4%	2.2%	3.5%	3.6%
General - Tangible	-12.4%	5.0%	2.9%	4.0%	1.6%
Omitted & Delinquent	-92.7%	-26.1%	33.1%	1.9%	23.5%
Public Service	176.7%	-4.5%	13.3%	-0.6%	12.1%
Other	-100.0%	43.4%	4.9%	-11.8%	-12.7%
<b>Inheritance</b>	<b>11.2%</b>	<b>0.5%</b>	<b>-12.8%</b>	<b>7.9%</b>	<b>-7.9%</b>
<b>Miscellaneous</b>	<b>-18.3%</b>	<b>-1.2%</b>	<b>0.4%</b>	<b>-4.4%</b>	<b>-5.3%</b>
Legal Process	-8.1%	-6.2%	-8.1%	-2.0%	0.8%
T. V. A. In Lieu Payments	-30.7%	7.1%	12.2%	-6.8%	-12.5%
Other	-30.2%	3.1%	143.4%	-45.9%	-80.5%
<b>Nontax Receipts</b>	<b>-2.1%</b>	<b>5.5%</b>	<b>-2.6%</b>	<b>-0.3%</b>	<b>17.6%</b>
Departmental Fees	-10.0%	-0.7%	-0.4%	3.9%	-22.9%
PSC Assessment Fee <sup>7</sup>	21.4%	-31.0%	-4.1%	17.7%	21.3%
Fines & Forfeitures	-8.0%	-6.9%	-7.2%	-9.4%	12.0%
Interest on Investments	---	---	---	573.6%	---
Lottery	0.9%	9.2%	-0.1%	4.7%	4.3%
Sale of NOx Credits	-73.5%	-100.0%	---	---	---
Miscellaneous	-17.6%	14.5%	-11.6%	-18.6%	154.9%
<b>Redeposit of State Funds</b>	<b>-0.9%</b>	<b>237.7%</b>	<b>-36.3%</b>	<b>-39.5%</b>	<b>91.6%</b>

	FY20	FY21	FY22	FY23	FY24
<b>TOTAL GENERAL FUND</b>	<b>1.5%</b>	<b>10.9%</b>	<b>14.6%</b>	<b>3.0%</b>	<b>2.8%</b>
<b>Tax Receipts</b>	<b>1.8%</b>	<b>11.0%</b>	<b>13.4%</b>	<b>3.2%</b>	<b>1.8%</b>
<b>Sales and Gross Receipts</b>	<b>3.0%</b>	11.3%	9.3%	9.2%	4.1%
Beer Consumption	4.5%	0.9%	1.2%	-3.4%	12.9%
Beer Wholesale	9.7%	2.7%	4.4%	5.0%	-0.5%
Cigarette	0.4%	-1.4%	-7.3%	-7.8%	-9.6%
Cigarette Floor Stock	---	-86.4%	-448.3%	-111.0%	1376.5%
Distilled Spirits Case Sales	10.3%	11.8%	12.8%	3.1%	28.1%
Distilled Spirits Consumption	7.9%	10.0%	5.7%	1.6%	2.1%
Distilled Spirits Wholesale	9.3%	16.7%	12.5%	4.6%	3.4%
Insurance Premium	2.0%	4.6%	-5.2%	17.1%	12.9%
Pari-Mutuel	8.2%	98.0%	52.8%	17.9%	16.5%
Race Track Admission	-33.0%	-85.0%	530.4%	-53.0%	-100.0%
Sales and Use	3.4%	12.0%	11.0%	10.1%	4.1%
Wine Consumption	3.7%	6.1%	-3.6%	-5.3%	-3.5%
Wine Wholesale	1.3%	11.8%	3.1%	-0.9%	-1.3%
Telecommunications Tax	22.1%	8.6%	3.4%	-1.0%	6.7%
Other Tobacco Products	-0.2%	86.0%	7.8%	-5.4%	1.5%
Car Rental & Ride Sharing	---	---	---	---	---
<b>License and Privilege</b>	<b>2.9%</b>	<b>-5.8%</b>	<b>-97.9%</b>	<b>-58.1%</b>	<b>141.9%</b>
Alc. Bev. License Suspension	-17.5%	-14.7%	34.5%	98.3%	-16.9%
Corporation License	32.9%	136.0%	-25.5%	-95.0%	850.1%
Corporation Organization	-79.0%	-45.8%	59.0%	464.8%	-82.6%
Occupational Licenses	-10.6%	57.1%	-9.4%	17.5%	-18.0%
Race Track License	-9.7%	0.0%	-8.5%	-10.2%	-8.0%
Bank Franchise Tax	2.7%	-5.8%	-99.5%	-299.4%	-143.7%
Driver License Fees	87.0%	-25.1%	-10.4%	-0.8%	5.8%
<b>Natural Resources</b>	<b>-31.6%</b>	<b>-3.3%</b>	<b>29.1%</b>	<b>34.9%</b>	<b>-21.8%</b>
Coal Severance	-36.7%	-4.7%	26.0%	36.7%	-19.4%
Oil Production	-22.3%	-8.5%	79.7%	0.2%	-20.4%
Minerals Severance	2.6%	6.1%	3.7%	23.2%	4.9%
Natural Gas Severance	-55.2%	-20.6%	165.2%	75.5%	-78.4%
<b>Income</b>	<b>1.8%</b>	<b>11.5%</b>	<b>20.0%</b>	<b>-2.3%</b>	<b>-0.1%</b>
Corporation	-37.7%	75.5%	53.4%	7.9%	-9.2%
Individual	4.9%	7.9%	17.6%	-3.4%	-0.6%
LLET	41.6%	-6.1%	-7.6%	-15.2%	55.9%
<b>Property</b>	<b>-0.6%</b>	<b>9.2%</b>	<b>3.0%</b>	<b>7.0%</b>	<b>4.4%</b>
Bank Deposits	5.1%	19.5%	13.0%	2.9%	-3.4%
Building & Loan Association	-5.4%	-96.8%	-100.0%	---	---
Distilled Spirits	15.1%	10.8%	11.6%	25.6%	27.4%
General - Real	3.5%	4.4%	2.5%	4.1%	6.6%
General - Tangible	-2.7%	15.9%	4.1%	10.0%	0.4%
Omitted & Delinquent	-39.4%	47.7%	-3.2%	-1.2%	20.8%
Public Service	0.6%	2.2%	2.3%	8.4%	6.3%
Other	2.1%	118.3%	-24.2%	39.7%	5946.6%
<b>Inheritance</b>	<b>4.2%</b>	<b>34.0%</b>	<b>30.9%</b>	<b>-11.6%</b>	<b>5.3%</b>
<b>Miscellaneous</b>	<b>-14.7%</b>	<b>-27.6%</b>	<b>-4.7%</b>	<b>10.6%</b>	<b>3.0%</b>
Legal Process	-12.0%	-12.1%	-2.8%	-7.1%	-0.8%
T. V. A. In Lieu Payments	-28.0%	-51.1%	-1.4%	56.4%	17.0%
Other	8974.4%	-54.2%	-81.3%	387.7%	-92.0%
<b>Nontax Receipts</b>	<b>-7.7%</b>	<b>8.4%</b>	<b>58.3%</b>	<b>-1.9%</b>	<b>26.9%</b>
Departmental Fees	-12.5%	-24.7%	20.7%	14.9%	13.1%
PSC Assessment Fee	-24.1%	11.7%	-5.1%	-24.7%	18.2%
Fines & Forfeitures	-22.0%	-18.3%	46.5%	6.2%	10.7%
Interest on Investments	---	---	---	---	99.4%
Lottery	2.8%	6.5%	2.0%	14.2%	2.0%
Sale of NOx Credits	---	---	---	---	---
Miscellaneous	-37.0%	22.8%	334.8%	-72.6%	2.5%
<b>Redeposit of State Funds</b>	<b>67.3%</b>	<b>3.2%</b>	<b>-68.6%</b>	<b>37.7%</b>	<b>-71.7%</b>

## **APPENDIX C**

### **Summary Statistics for Road Fund Major Revenue Sources Fiscal Years 2015 – 2024 (\$)**

	FY15	FY16	FY17	FY18	FY19
<b>TOTAL STATE ROAD FUND</b>	<b>1,526,738,659</b>	<b>1,482,541,978</b>	<b>1,508,003,421</b>	<b>1,511,003,520</b>	<b>1,566,079,860</b>
<b>Tax Receipts-</b>	<b>1,501,667,661</b>	<b>1,458,382,671</b>	<b>1,484,228,925</b>	<b>1,483,223,103</b>	<b>1,527,527,150</b>
<b>Sales and Gross Receipts</b>	<b>1,283,046,179</b>	<b>1,234,432,155</b>	<b>1,260,348,857</b>	<b>1,258,070,574</b>	<b>1,287,770,861</b>
Motor Fuels Taxes	850,276,246	750,034,840	760,514,967	764,937,870	773,248,338
Motor Vehicle Usage	432,769,932	484,397,314	499,833,891	493,132,705	514,522,523
EV Charging Station Tax	0	0	0	0	0
<b>License and Privilege</b>	<b>218,621,482</b>	<b>223,950,517</b>	<b>223,880,068</b>	<b>225,152,529</b>	<b>239,756,289</b>
Motor Vehicles	107,554,129	113,114,908	111,927,466	112,850,030	120,900,980
Motor Vehicle Operators	15,958,491	16,331,496	16,120,127	16,794,541	16,631,111
Weight Distance	79,147,533	81,375,028	82,886,950	81,711,920	86,721,474
Truck Decal Fees	404,906	283,942	289,874	289,061	313,011
Other Special Fees	15,556,424	12,845,142	12,655,651	13,506,977	18,189,713
<b>Nontax Receipts</b>	<b>22,358,605</b>	<b>23,041,935</b>	<b>22,938,976</b>	<b>26,904,635</b>	<b>36,942,367</b>
Departmental Fees	17,766,834	19,308,449	19,473,809	20,951,634	20,633,454
In Lieu of Traffic Fines	465,304	427,255	378,757	353,405	410,389
Investment Income	2,913,784	2,468,620	1,581,851	2,837,474	11,923,927
Miscellaneous	1,212,683	837,611	1,504,559	2,762,123	3,974,598
Hybrid/Electric Annual Fee	0	0	0	0	0
<b>Redeposit of State Funds</b>	<b>2,712,394</b>	<b>1,117,372</b>	<b>835,520</b>	<b>875,783</b>	<b>1,610,343</b>

	FY20	FY21	FY22	FY23	FY24
<b>TOTAL STATE ROAD FUND</b>	<b>1,491,513,188</b>	<b>1,642,340,305</b>	<b>1,675,354,852</b>	<b>1,753,323,281</b>	<b>1,874,570,513</b>
<b>Tax Receipts-</b>	<b>1,459,053,657</b>	<b>1,614,526,694</b>	<b>1,657,098,864</b>	<b>1,717,417,646</b>	<b>1,830,583,626</b>
<b>Sales and Gross Receipts</b>	<b>1,240,878,729</b>	<b>1,369,253,236</b>	<b>1,403,734,092</b>	<b>1,458,609,862</b>	<b>1,576,573,167</b>
Motor Fuels Taxes	741,601,128	748,377,115	774,647,395	798,263,863	905,442,929
Motor Vehicle Usage	499,277,601	620,876,121	629,086,696	660,345,999	670,961,957
EV Charging Station Tax	0	0	0	0	168,281
<b>License and Privilege</b>	<b>218,174,928</b>	<b>245,273,458</b>	<b>253,364,772</b>	<b>258,807,784</b>	<b>254,010,459</b>
Motor Vehicles	108,626,329	125,481,645	123,656,728	126,713,604	119,531,390
Motor Vehicle Operators	12,930,555	22,080,766	28,504,651	29,736,792	32,689,269
Weight Distance	83,374,856	83,185,252	87,201,685	87,722,299	86,794,007
Truck Decal Fees	120,460	145,500	183,160	240,000	199,820
Other Special Fees	13,122,728	14,380,295	13,818,548	14,395,089	14,795,972
<b>Nontax Receipts</b>	<b>32,083,175</b>	<b>26,934,560</b>	<b>17,566,474</b>	<b>35,523,095</b>	<b>42,039,415</b>
Departmental Fees	20,315,948	21,907,240	24,699,775	24,785,707	19,685,933
In Lieu of Traffic Fines	282,892	210,555	227,990	443,040	178,800
Investment Income	6,688,478	-118,008	-11,019,731	6,308,931	146,170,002
Miscellaneous	4,795,857	4,934,773	3,658,440	3,985,418	6,111,739
Hybrid/Electric Annual Fee	0	0	0	0	1,445,941
<b>Redeposit of State Funds</b>	<b>376,356</b>	<b>879,051</b>	<b>689,514</b>	<b>382,540</b>	<b>1,947,472</b>

**Road Fund Growth Rates  
Major Revenue Sources  
Fiscal Years 2015 – 2024  
(%)**

	FY15	FY16	FY17	FY18	FY19
<b>TOTAL STATE ROAD FUND</b>	<b>-2.2%</b>	<b>-2.9%</b>	<b>1.7%</b>	<b>0.2%</b>	<b>3.6%</b>
<b>Tax Receipts-</b>	<b>-2.2%</b>	<b>-2.9%</b>	<b>1.8%</b>	<b>-0.1%</b>	<b>3.0%</b>
<b>Sales and Gross Receipts</b>	<b>-3.5%</b>	<b>-3.8%</b>	<b>2.1%</b>	<b>-0.2%</b>	<b>2.4%</b>
Motor Fuels Taxes	-4.0%	-11.8%	1.4%	0.6%	1.1%
Motor Vehicle Usage	-2.3%	11.9%	3.2%	-1.3%	4.3%
EV Charging Station Tax	---	---	---	---	---
<b>License and Privilege</b>	<b>5.9%</b>	<b>2.4%</b>	<b>0.0%</b>	<b>0.6%</b>	<b>6.5%</b>
Motor Vehicles	5.6%	5.2%	-1.0%	0.8%	7.1%
Motor Vehicle Operators	-1.2%	2.3%	-1.3%	4.2%	-1.0%
Weight Distance	2.9%	2.8%	1.9%	-1.4%	6.1%
Truck Decal Fees	-17.2%	-29.9%	2.1%	-0.3%	8.3%
Other Special Fees	40.1%	-17.4%	-1.5%	6.7%	34.7%
<b>Nontax Receipts</b>	<b>-2.1%</b>	<b>3.1%</b>	<b>-0.4%</b>	<b>17.3%</b>	<b>37.3%</b>
Departmental Fees	2.3%	8.7%	0.9%	7.6%	-1.5%
In Lieu of Traffic Fines	-14.6%	-8.2%	-11.4%	-6.7%	16.1%
Investment Income	---	-15.3%	-35.9%	79.4%	320.2%
Miscellaneous	31.4%	-30.9%	79.6%	83.6%	43.9%
Hybrid/Electric Annual Fee	---	---	---	---	---
<b>Redeposit of State Funds</b>	<b>44.3%</b>	<b>-58.8%</b>	<b>-25.2%</b>	<b>4.8%</b>	<b>83.9%</b>

	FY20	FY21	FY22	FY23	FY24
<b>TOTAL STATE ROAD FUND</b>	<b>-4.8%</b>	<b>10.1%</b>	<b>2.0%</b>	<b>4.7%</b>	<b>6.9%</b>
<b>Tax Receipts-</b>	<b>-4.5%</b>	<b>10.7%</b>	<b>2.6%</b>	<b>3.6%</b>	<b>6.6%</b>
<b>Sales and Gross Receipts</b>	<b>-3.6%</b>	<b>10.3%</b>	<b>2.5%</b>	<b>3.9%</b>	<b>8.1%</b>
Motor Fuels Taxes	-4.1%	0.9%	3.5%	3.0%	13.4%
Motor Vehicle Usage	-3.0%	24.4%	1.3%	5.0%	1.6%
EV Charging Station Tax	---	---	---	---	---
<b>License and Privilege</b>	<b>-9.0%</b>	<b>12.4%</b>	<b>3.3%</b>	<b>2.1%</b>	<b>-1.9%</b>
Motor Vehicles	-10.2%	15.5%	-1.5%	2.5%	-5.7%
Motor Vehicle Operators	-22.3%	70.8%	29.1%	4.3%	9.9%
Weight Distance	-3.9%	-0.2%	4.8%	0.6%	-1.1%
Truck Decal Fees	-61.5%	20.8%	25.9%	31.0%	-16.7%
Other Special Fees	-27.9%	9.6%	-3.9%	4.2%	2.8%
<b>Nontax Receipts</b>	<b>-13.2%</b>	<b>-16.0%</b>	<b>-34.8%</b>	<b>102.2%</b>	<b>18.3%</b>
Departmental Fees	-1.5%	7.8%	12.7%	0.3%	-20.6%
In Lieu of Traffic Fines	-31.1%	-25.6%	8.3%	94.3%	-59.6%
Investment Income	-43.9%	-101.8%	---	---	---
Miscellaneous	20.7%	2.9%	-25.9%	8.9%	53.4%
Hybrid/Electric Annual Fee	---	---	---	---	---
<b>Redeposit of State Funds</b>	<b>-76.6%</b>	<b>133.6%</b>	<b>-21.6%</b>	<b>-44.5%</b>	<b>409.1%</b>

## Glossary

Adjacent-quarter	A growth rate computed as the current quarter relative to the previous quarter.
AR	Annual Rate is the quantity of a series that would occur for the entire year, if the current period's growth were to continue for the entire year.
Civilian Labor Force	A subset of the working population who are currently employed or are actively looking for employment.
Employed	In the context of working population and civilian laborforce data, Employed is a subset of the civilian labor force who are employed regardless of industry or profession. This is therefore different than non-farm employment, which explicitly does not include those persons employed in the agricultural sector.
Growth rate	Unless otherwise stipulated, a growth rate is computed as the current quarter relative to the same quarter of the previous year.
Labor Force Participation Rate	The Civilian Labor Force divided by the Working Population.
Not in Labor Force	A subset of the working population who have decided not to be employed nor seek employment.
SA	Seasonally-Adjusted
SAAR	Seasonally-Adjusted Annual Rate
Unemployed	In the context of working population and civilian laborforce data, Unemployed is a subset of the civilian labor force who are not currently employed but are actively seeking employment.
Working population	The group of persons who are 16 years or older, non-institutionalized, not in prison, not in an old-age home, and not engaged in active military duty. It is meant to capture those persons who are capable of working and could work if suitable employment were found. Working population figures are listed in millions.

## Tables Notes

### Tables 3, 4, and 5

Data for FY24 Q1, Q2, and Q3 are June 2024 estimates.

Source: IHS Markit – Economics & Country Risk, June 13, 2024 data release.

### Table 16

Real series are annual rate, billions of chained 2000 dollars.

Components do not sum to real GDP because they are annualized independently.

Data for FY24 Q4 are June 2024 estimates.

Source: IHS Markit - Economics & Country Risk, June 13, 2024 data release.

<sup>1</sup> Working population is the group of persons who are 16 years or older, non-institutionalized, not in prison, not in an old-age home and not engaged in active military duty. It is meant to capture those persons who are capable of working and could work if suitable employment were found. Working population figures are listed in millions.

<sup>2</sup> Civilian Labor Force is a subset of the working population who are currently employed or are actively looking for employment.

<sup>3</sup> Employed is a subset of the civilian labor force who are employed regardless of industry or profession. This is therefore different than non-farm employment, which explicitly does not include those persons employed in the agricultural sector.

<sup>4</sup> Unemployed is a subset of the civilian labor force who are not currently employed but are actively seeking employment.

<sup>5</sup> Not in Labor Force is a subset of the working population who have decided not to be employed nor seek employment.

<sup>6</sup> Labor Force Participation Rate is computed as the Civilian Labor Force divided by the Working Population.

### Tables 17, 18, 19, and 20

Data for FY24 Q4 are June 2024 estimates.

Source: IHS Markit - Economics & Country Risk, June 13, 2024 data release.