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GENERAL FUND RECEIPTS FOR MAY
TOTAL \$798.2 MILLION

Combined Receipts for April and May Down by 0.7 Percent From Last Year

FRANKFORT, Ky. – State Budget Director Brad Cowgill today reported that General Fund receipts for May 2007 totaled \$798.2 million, an increase of 9.8 percent over May 2006.

The increased revenue provided the Commonwealth with a rebound following the decline in April. So far this fiscal year (FY07), the General Fund has received \$7.7 billion, increasing 2.5 percent over the same eleven-month time period in FY06.

Cowgill attributes the April drop and May rebound to the extended filing period and the increase in refund payments. “The decline in April was almost entirely due to the shortened time in which to process revenues,” Cowgill said. “The decline was countered by sharp growth in the early days of May that carried through to the end of the month.”

“Although the rate of economic growth slowed during the winter, the consensus revenue forecast made back in January still appears reasonable,” said Cowgill. That forecast predicted General Fund growth of 2.8 percent in the current fiscal year. To satisfy that prediction, revenues in June must rise by 5.0 percent.

Among the major accounts:

- The sales and use tax grew 15.1 percent.
- Individual income tax receipts rose by 58.6 percent over last May due to timing differences in processing receipts.

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- The corporation income tax was also affected by the timing change. Receipts posted a drop of 51.6 percent compared to one year earlier.
- Cigarette taxes declined by 5.1 percent.
- Coal severance taxes rose 3.0 percent.
- Property taxes fell 63.7 percent as a result of timing shifts compared to last year.
- Lottery revenues were up by 15.4 percent.

Road Fund revenues declined by 1.4 percent compared to May 2006. Collections last month totaled \$114.9 million, bringing the year-to-date total to \$1.12 billion. Road Fund revenues in FY07 have increased 4.6 percent compared to the same time period in FY06. Based on revised consensus revenue estimates of \$1.22 billion in Road Fund revenues for the current fiscal year receipts must grow 0.5 percent in the final month to meet that estimate.

Among the major accounts in the Road Fund, motor fuels taxes were down 1.4 percent. Motor vehicle usage taxes rose 10.6 percent. License and privilege taxes rose 6.6 percent, and nontax receipts fell 18.6 percent primarily due to the abolition of the remaining tolls on Kentucky parkways.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>2007</u>	<u>MAY</u> <u>2006</u>	<u>% Change</u>	<u>FY 2007</u>	<u>JULY THROUGH MAY</u> <u>FY 2006</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$798,165,539	\$726,878,174	9.8%	\$7,699,735,037	\$7,509,041,817	2.5%
Tax Receipts	\$784,678,403	\$705,226,279	11.3%	\$7,445,231,007	\$7,256,609,827	2.6%
Sales and Gross Receipts	\$333,500,441	\$298,485,156	11.7%	\$2,993,429,453	\$2,905,351,062	3.0%
Beer Consumption	816,295	582,405	40.2%	5,713,986	5,812,584	-1.7%
Beer Wholesale	6,069,279	4,230,822	43.5%	41,740,936	40,805,618	2.3%
Cigarette	14,676,562	15,459,910	-5.1%	152,645,309	151,442,202	0.8%
Cigarette Floor Stock	0	0	---	9,746	12,097,029	-99.9%
Distilled Spirits Case Sales	11,663	8,008	45.6%	90,853	87,100	4.3%
Distilled Spirits Consumption	1,215,077	829,537	46.5%	9,277,248	9,113,712	1.8%
Distilled Spirits Wholesale	2,944,256	2,059,164	43.0%	23,113,893	21,604,469	7.0%
Insurance Premium	27,671,765	32,196,326	-14.1%	113,633,307	116,327,921	-2.3%
Pari-Mutuel	1,992,941	1,755,750	13.5%	4,878,564	5,023,652	-2.9%
Race Track Admission	0	0	---	190,362	187,358	1.6%
Sales and Use	270,914,158	235,385,631	15.1%	2,574,605,283	2,518,921,068	2.2%
Wine Consumption	300,067	173,021	73.4%	2,127,728	1,764,429	20.6%
Wine Wholesale	1,464,760	842,995	73.8%	10,379,667	9,643,307	7.6%
Telecommunications Tax	4,375,273	4,298,787	1.8%	47,194,897	6,922,280	581.8%
OTP	1,048,344	662,800	58.2%	7,827,676	5,598,333	39.8%
License and Privilege	\$32,216,271	\$30,817,511	4.5%	\$326,686,568	\$360,657,707	-9.4%
Alc. Bev. License Suspension	55,450	38,000	45.9%	583,041	213,450	173.2%
Coal Severance	25,193,411	24,471,373	3.0%	202,835,542	203,708,743	-0.4%
Corporation License	1,262,075	967,070	30.5%	11,587,751	43,309,182	-73.2%
Corporation Organization	7,484	7,026	6.5%	95,951	209,421	-54.2%
Occupational Licenses	38,895	10,317	277.0%	153,154	88,672	72.7%
Oil Production	898,459	556,923	61.3%	5,637,857	5,766,294	-2.2%
Race Track License	0	0	---	283,675	265,275	6.9%
Bank Franchise Tax	20,246	(281,628)	---	63,696,891	60,192,432	5.8%
Driver License Fees	52,745	42,802	23.2%	555,406	547,975	1.4%
Minerals Severance	1,603,284	1,402,921	14.3%	13,489,396	13,327,370	1.2%
Natural Gas Severance	3,084,223	3,602,707	-14.4%	27,767,904	33,028,893	-15.9%
Income	\$401,816,259	\$345,387,117	16.3%	\$3,566,201,967	\$3,417,081,406	4.4%
Corporation	63,981,947	132,312,802	-51.6%	813,648,730	757,962,364	7.3%
Individual	337,834,312	213,074,314	58.6%	2,752,553,237	2,659,119,043	3.5%
Property	\$9,018,867	\$24,879,137	-63.7%	\$487,380,724	\$499,940,821	-2.5%
Bank Deposits	7,709	777	892.2%	513,619	505,351	1.6%
Building & Loan Association	795,252	753,573	5.5%	1,270,777	995,071	27.7%
Distilled Spirits	0	0	---	506,754	406,835	24.6%
General - Intangible	0	73,973	-100.0%	48,841	30,944,122	-99.8%
General - Real	2,811,392	2,164,133	29.9%	226,492,359	214,061,647	5.8%
General - Tangible	1,466,844	10,015,972	-85.4%	184,921,451	165,151,095	12.0%
Omitted & Delinquent	2,310,497	9,302,338	-75.2%	31,890,214	33,960,077	-6.1%
Public Service	1,627,173	2,568,128	-36.6%	41,733,198	53,913,652	-22.6%
Other	0	244	-100.0%	3,512	2,970	18.2%
Inheritance	\$5,207,302	\$2,910,982	78.9%	\$39,617,042	\$41,693,810	-5.0%
Miscellaneous	\$2,919,263	\$2,746,378	6.3%	\$31,915,252	\$31,885,021	0.1%
Legal Process	2,000,622	1,926,787	3.8%	22,728,039	22,990,852	-1.1%
T. V. A. In Lieu Payments	918,640	801,059	14.7%	9,118,686	8,646,195	5.5%
Other	0	18,531	-100.0%	68,527	247,974	-72.4%
Nontax Receipts	\$16,752,759	\$20,358,354	-17.7%	\$245,552,150	\$245,567,692	0.0%
Departmental Fees	2,517,562	2,011,489	25.2%	25,179,918	22,250,345	13.2%
PSC Assessment Fee	(1,933)	0	---	12,295,954	8,780,485	40.0%
Fines & Forfeitures	2,167,157	2,010,129	7.8%	24,340,158	24,008,007	1.4%
Interest on Investments	131,286	67,263	95.2%	1,303,912	1,045,489	24.7%
Lottery	15,000,000	13,000,000	15.4%	168,125,113	154,000,000	9.2%
Sale of NOx Credits	89,000	0	---	700,600	1,126,000	-37.8%
Miscellaneous	(3,150,313)	3,269,473	---	13,606,495	34,357,365	-60.4%
Redeposit of State Funds	(\$3,265,624)	\$1,293,541	---	\$8,951,881	\$6,864,297	30.4%

2. ROAD FUND REVENUE

	<u>2007</u>	<u>MAY</u> <u>2006</u>	<u>% Change</u>	<u>FY 2007</u>	<u>JULY THROUGH MAY</u> <u>FY 2006</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$114,940,676	\$116,543,063	-1.4%	\$1,119,305,537	\$1,070,049,757	4.6%
Tax Receipts-	\$111,939,290	\$112,808,571	-0.8%	\$1,084,291,349	\$1,041,457,476	4.1%
Sales and Gross Receipts	\$81,315,872	\$84,076,973	-3.3%	\$885,539,054	\$843,165,482	5.0%
Motor Fuels Taxes	45,945,296	46,576,263	-1.4%	490,570,393	459,066,735	6.9%
Motor Fuels Use & Surtax	(2,297,971)	3,438,571	---	21,567,452	24,150,176	-10.7%
Truck Trip Permits (fuel)	26,200	33,960	-22.9%	283,820	351,520	-19.3%
Motor Vehicle Usage	37,642,348	34,028,179	10.6%	373,117,389	359,597,050	3.8%
License and Privilege	\$30,623,418	\$28,731,598	6.6%	\$198,752,295	\$198,291,994	0.2%
Motor Vehicles	10,175,964	7,755,138	31.2%	91,745,398	85,860,146	6.9%
Motor Vehicle Operators	1,205,762	1,175,318	2.6%	14,549,920	13,288,005	9.5%
Weight Distance	18,233,417	18,515,555	-1.5%	84,786,027	84,508,470	0.3%
Truck Decal Fees	361,862	355,634	1.8%	813,450	923,977	-12.0%
Other Special Fees	646,413	929,954	-30.5%	6,857,501	13,711,397	-50.0%
Nontax Receipts	\$2,954,437	\$3,628,761	-18.6%	\$34,609,104	\$26,940,451	28.5%
Departmental Fees	1,632,253	1,771,993	-7.9%	16,157,454	14,707,176	9.9%
In Lieu of Traffic Fines	105,378	109,885	-4.1%	1,076,524	1,156,750	-6.9%
Highway Tolls	461	752,982	-99.9%	3,717,965	5,938,168	-37.4%
Investment Income	1,128,441	933,759	20.8%	13,045,793	4,560,632	186.1%
Miscellaneous	87,905	60,142	46.2%	611,367	577,725	5.8%
Redeposit of State Funds	\$46,949	\$105,731	-55.6%	\$405,084	\$1,651,830	-75.5%

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