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**STATE BUDGET DIRECTOR ANNOUNCES
GENERAL FUND AND ROAD FUND RECEIPTS
FOR JULY 2007**

General Fund receipts \$634.2 million
Road Fund receipts \$100.5 million

FRANKFORT, Ky. - State Budget Director Brad Cowgill announced today Kentucky's General Fund receipts for July, the first month of Fiscal Year 2008 (FY08), total \$634.2 million, a 4.9 percent increase compared to July 2006 receipts.

Cowgill was pleased by the July receipts. "July's revenue growth was more than we expected and shows that the Kentucky economy is healthy and growing," he said.

The revised consensus General Fund revenue estimate for FY08 (adjusted for the impact of legislation from the 2007 Regular Session of the General Assembly) anticipates growth of 3.6 percent over FY07 actual receipts. Based on July's results, General Fund revenues must expand by 3.5 percent for the remainder of the fiscal year in order to meet the official estimate. Among the major accounts:

- Individual income taxes rose 9.0 percent due to lower refund payments.
- Sales tax revenues climbed 0.7 percent.
- Corporation income tax was down 4.5 percent, although that may have been due to a reclassification of revenues received under the limited liability entity tax, which previously had been credited to the corporation income tax.

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- Cigarette taxes climbed 3.6 percent.
- Property taxes increased 14.9 percent because of a change in timing of receipts in the omitted and delinquent taxes.
- Coal severance tax slumped in July, falling 8.2 percent.
- Lottery revenues were up 15.8 percent.

Road Fund revenues for July total \$100.5 million, a rise of 7.4 percent compared to last July.

Among the major Road Fund categories:

- Motor fuels tax receipts rose 11.2 percent due to the statute-imposed rate increase tax tied to the price of gasoline.
- Motor vehicle usage tax was up by 2.3 percent compared to the same period one year ago.
- License and privilege taxes fell 10.8 percent, chiefly in the areas of motor vehicle license taxes, weight distance taxes, and driver's license fees.
- Non-tax revenue rose 23.9 percent on the strength of investment income and departmental fees.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>2007</u>	<u>JULY</u> <u>2006</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$634,238,003	\$604,413,644	4.9%
Tax Receipts	\$608,591,347	\$578,775,671	5.2%
Sales and Gross Receipts	\$280,769,703	\$278,244,286	0.9%
Beer Consumption	634,361	639,886	-0.9%
Beer Wholesale	4,625,219	4,589,162	0.8%
Cigarette	14,076,679	13,586,932	3.6%
Distilled Spirits Case Sales	9,992	9,383	6.5%
Distilled Spirits Consumption	1,011,346	960,255	5.3%
Distilled Spirits Wholesale	2,521,955	2,348,359	7.4%
Insurance Premium	278,257	162,052	71.7%
Pari-Mutuel	358,625	468,158	-23.4%
Race Track Admission	108,696	101,691	6.9%
Sales and Use	250,984,325	249,348,345	0.7%
Wine Consumption	204,509	199,783	2.4%
Wine Wholesale	984,951	961,801	2.4%
Telecommunications Tax	4,192,778	4,290,704	-2.3%
Other Tobacco Products	778,009	577,775	34.7%
License and Privilege	\$25,809,651	\$26,057,245	-1.0%
Alc. Bev. License Suspension	151,970	27,000	462.9%
Coal Severance	17,602,068	19,166,565	-8.2%
Corporation License	186,298	1,210,155	-84.6%
Corporation Organization	3,392	6,668	-49.1%
Occupational Licenses	13,276	12,103	9.7%
Oil Production	619,208	660,516	-6.3%
Race Track License	141,025	142,500	-1.0%
Bank Franchise Tax	(30,491)	(89,601)	---
Driver License Fees	57,809	51,607	12.0%
Minerals Severance	1,681,551	1,600,142	5.1%
Natural Gas Severance	2,365,424	3,269,591	-27.7%
Limited Liability Entity	3,018,121	0	---
Income	\$275,471,523	\$256,125,280	7.6%
Corporation	26,232,752	27,482,603	-4.5%
Individual	249,238,771	228,642,677	9.0%
Property	\$18,561,485	\$16,159,154	14.9%
Building & Loan Association	87,527	519,670	-83.2%
General - Real	430,579	208,802	106.2%
General - Tangible	8,051,854	7,633,801	5.5%
Omitted & Delinquent	9,171,451	5,555,957	65.1%
Public Service	820,075	2,233,587	-63.3%
Other	0	7,337	-100.0%
Inheritance Tax	\$4,883,233	\$1,898,392	157.2%
Miscellaneous	3,095,752	291,313	962.7%
Legal Process	2,177,112	291,313	647.3%
T. V. A. In Lieu Payments	918,640	0	---
Other	0	0	---
Nontax Receipts	\$25,123,645	\$24,386,704	3.0%
Departmental Fees	2,251,537	2,060,821	9.3%
PSC Assessment Fee	9,491,604	7,786,369	21.9%
Fines & Forfeitures	2,574,046	2,285,410	12.6%
Interest on Investments	136,584	117,939	15.8%
Lottery	13,500,000	13,000,000	3.8%
Sale of NOx Credits	0	0	---
Miscellaneous	(2,830,126)	(863,835)	---
Redeposit of State Funds	\$523,011	\$1,251,269	-58.2%

2. ROAD FUND REVENUE

	<u>2007</u>	<u>JULY</u> <u>2006</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$100,471,383	\$93,530,645	7.4%
Tax Receipts-	\$97,841,163	\$90,942,066	7.6%
Sales and Gross Receipts	\$88,091,425	\$80,007,473	10.1%
Motor Fuels Taxes	48,607,311	43,730,440	11.2%
Motor Fuels Use & Surtax	2,479,887	102,674	2315.3%
Truck Trip Permits (fuel)	19,880	18,280	8.8%
Motor Vehicle Usage	36,984,346	36,156,079	2.3%
License and Privilege	\$9,749,738	\$10,934,594	-10.8%
Motor Vehicles	4,894,665	5,755,872	-15.0%
Motor Vehicle Operators	1,246,117	1,353,734	-7.9%
Weight Distance	3,075,779	3,418,042	-10.0%
Truck Decal Fees	19,203	18,820	2.0%
Other Special Fees	513,974	388,125	32.4%
Nontax Receipts	\$2,617,676	\$2,113,079	23.9%
Departmental Fees	2,026,674	1,646,325	23.1%
In Lieu of Traffic Fines	99,503	98,246	1.3%
Highway Tolls	0	332,079	-100.0%
Investment Income	458,185	0	---
Miscellaneous	33,314	36,430	-8.6%
Redeposit of State Funds	\$12,544	\$475,499	-97.4%

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