



Office of State Budget Director

284 Capitol Annex, 702 Capitol Avenue
Frankfort, Kentucky 40601

Steven L. Beshear
Governor

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

Mary Lassiter
State Budget Director

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

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Contact: Mary Lassiter
Greg Harkenrider
502-564-7300

GENERAL FUND AND ROAD FUND RECEIPTS
MIXED FOR JANUARY 2010
General Fund receipts fell 3.3 percent
Road Fund receipts increased 0.2 percent

FRANKFORT, KY (Wednesday, February 10, 2010) – The Office of State Budget Director reported today that January's General Fund receipts fell 3.3 percent compared to January of last year, a decrease of \$23.9 million. Total revenues for the month were \$698.6 million, compared to \$722.5 million during January 2009. Receipts have now fallen 4.4 percent for the first seven months of Fiscal Year 2010 (FY 10).

The December 21, 2009 official revenue forecast by the Commonwealth's Consensus Forecasting Group (CFG) called for a 2.7 percent decline for the entire fiscal year. To meet the revenue estimate, receipts are projected to decline 0.3 percent over the last five months of the fiscal year.

Road Fund receipts for January totaled \$91.1 million, a 0.2 percent increase over January 2009 levels. Year-to-date receipts for FY 10 are down by 1.5 percent.

State Budget Director Mary Lassiter noted that the General Fund tax receipts have now fallen nine of the last ten months but also suggested that current receipt patterns follow the path predicted by the CFG in December. "Our panel of experts cautioned that we might see several more months of soft tax collections due to the continued weakness in national and state

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employment. We will continue to monitor both sides of the fiscal ledger very closely as we are reminded now, more than ever, that every dollar in the state budget should be managed carefully and prudently.”

Among the major accounts:

- Sales and use tax receipts increased 3.9 percent for the month but have declined 4.1 percent year-to-date.
- Corporation income tax receipts fell 34.2 percent, an amount consistent with the performance of that revenue source in the first half of the year.
- Individual income tax collections fell by 1.1 percent and have fallen 6.9 percent through the first 7 months of FY10.
- Property tax collections were off 13.8 percent, primarily due to timing differences in the collection and remittance of the real property tax receipts, and are up by .8 percent year-to-date.
- Cigarette tax receipts rose 61.3 percent and have now risen 73.0 percent year-to-date on the strength of the April 2009 rate increase.
- Coal severance tax receipts dropped 23.6 percent and are down 12.6 percent through the first 7 months of the fiscal year, in continuation of a projected decline in coal prices.

Road Fund receipts rose marginally with 0.2 percent growth in January 2010 with collections of \$91.1 million. The officially revised Road Fund estimates call for an increase in revenues of 0.6 percent for the fiscal year. Based on year-to-date tax collections, revenues must increase by 3.4 percent for the remainder of FY10 to meet the estimate. Lassiter noted that the performance of the Road Fund was a mixed bag in January. “Motor fuels taxes posted very strong growth of 11.0 percent, much in line with the increase in fuels taxes that the CFG had been predicting. However, the motor vehicle usage tax continues to struggle, as people with uncertainty about the employment sector will likely delay purchases until the labor market shores up”.

Among the accounts, motor fuels rose by 11.0 percent. Motor vehicle usage revenue plunged 14.9 percent, and license and privilege receipts declined slightly by 0.3 percent.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	JANUARY			JULY THROUGH JANUARY		
	2010	2009	% Change	FY 2010	FY 2009	% Change
TOTAL GENERAL FUND	\$698,566,362	\$722,524,057	-3.3%	\$4,829,384,673	\$5,050,817,469	-4.4%
Tax Receipts	\$677,164,088	\$693,715,753	-2.4%	\$4,648,565,621	\$4,869,557,724	-4.5%
Sales and Gross Receipts	\$333,471,481	\$314,424,754	6.1%	\$2,001,101,898	\$1,997,662,678	0.2%
Beer Consumption	(267,160)	454,576	---	3,645,069	3,824,508	-4.7%
Beer Wholesale	5,332,395	4,514,098	18.1%	31,551,539	31,596,546	-0.1%
Cigarette	19,615,159	12,161,268	61.3%	161,102,510	93,149,729	73.0%
Distilled Spirits Case Sales	13,055	12,370	5.5%	67,531	66,649	1.3%
Distilled Spirits Consumption	1,270,378	1,219,708	4.2%	6,654,073	6,560,803	1.4%
Distilled Spirits Wholesale	3,388,939	3,355,957	1.0%	17,157,425	17,199,721	-0.2%
Insurance Premium	10,657	46,604	-77.1%	40,119,366	40,683,456	-1.4%
Pari-Mutuel	95,788	133,602	-28.3%	(980,800)	2,081,094	---
Race Track Admission	0	0	---	137,878	193,657	-28.8%
Sales and Use	295,352,152	284,291,767	3.9%	1,680,160,604	1,752,014,159	-4.1%
Wine Consumption	307,036	287,556	6.8%	1,514,504	1,462,650	3.5%
Wine Wholesale	1,638,497	1,559,774	5.0%	7,737,391	7,678,265	0.8%
Telecommunications Tax	4,881,746	5,698,188	-14.3%	39,652,679	36,013,306	10.1%
Other Tobacco Products	1,820,477	689,286	164.1%	12,386,059	5,138,134	141.1%
Floor Stock Tax	12,362	0	---	196,071	0	---
License and Privilege	\$15,116,170	\$31,489,647	-52.0%	\$236,157,505	\$262,082,644	-9.9%
Alc. Bev. License Suspension	51,200	43,500	17.7%	256,975	207,000	24.1%
Coal Severance	16,138,179	21,122,388	-23.6%	147,965,454	169,346,206	-12.6%
Corporation License	577,113	1,029,168	-43.9%	2,244,241	5,185,001	-56.7%
Corporation Organization	10,709	0	---	134,359	34,065	294.4%
Occupational Licenses	8,672	8,793	-1.4%	81,692	114,016	-28.4%
Oil Production	962,776	311,192	209.4%	4,504,603	6,584,085	-31.6%
Race Track License	0	0	---	218,000	298,200	-26.9%
Bank Franchise Tax	297,203	380,635	-21.9%	(130,938)	(4,833,445)	---
Driver License Fees	44,285	41,972	5.5%	343,145	347,538	-1.3%
Minerals Severance	747,418	885,404	-15.6%	8,642,226	9,106,481	-5.1%
Natural Gas Severance	1,637,105	2,393,862	-31.6%	10,588,624	28,321,786	-62.6%
Limited Liability Entity	(5,358,490)	5,272,732	---	61,309,124	47,371,710	29.4%
Income	\$239,906,145	\$245,981,085	-2.5%	\$1,947,173,179	\$2,146,858,071	-9.3%
Corporation	6,580,413	10,004,796	-34.2%	111,008,750	174,637,038	-36.4%
Individual	233,325,732	235,976,290	-1.1%	1,836,164,429	1,972,221,033	-6.9%
Property	\$84,301,091	\$97,841,983	-13.8%	\$420,273,149	\$417,064,609	0.8%
Building & Loan Association	0	0	---	91,143	209,366	-56.5%
General - Real	55,639,427	67,866,994	-18.0%	229,307,947	219,146,228	4.6%
General - Tangible	22,574,025	27,201,445	-17.0%	129,714,276	145,930,782	-11.1%
Omitted & Delinquent	2,147,538	2,152,134	-0.2%	15,699,679	13,302,155	18.0%
Public Service	3,920,770	607,184	545.7%	44,749,822	37,834,459	18.3%
Other	19,330	14,226	35.9%	710,284	641,620	10.7%
Inheritance	\$1,490,738	\$2,236,818	-33.4%	\$23,742,835	\$24,255,161	-2.1%
Miscellaneous	\$2,878,462	\$1,741,466	65.3%	\$20,117,055	\$21,634,561	-7.0%
Legal Process	1,662,289	1,736,525	-4.3%	12,966,293	13,888,742	-6.6%
T. V. A. In Lieu Payments	1,200,142	0	---	7,134,238	7,733,042	-7.7%
Other	16,031	4,941	224.5%	16,523	12,778	29.3%
Nontax Receipts	\$21,199,989	\$28,150,489	-24.7%	\$179,206,842	\$179,958,235	-0.4%
Departmental Fees	2,622,270	2,734,626	-4.1%	14,397,860	16,399,485	-12.2%
PSC Assessment Fee	69,722	6,741	934.3%	8,325,691	9,363,623	-11.1%
Fines & Forfeitures	2,372,412	1,963,888	20.8%	17,571,579	16,258,580	8.1%
Interest on Investments	69,677	106,455	-34.5%	493,427	2,185,383	-77.4%
Lottery	16,500,000	16,000,000	3.1%	109,500,000	107,500,000	1.9%
Sale of NOx Credits	0	0	---	601,430	0	---
Miscellaneous	(434,093)	7,338,779	---	28,316,855	28,251,164	0.2%
Redeposit of State Funds	\$202,286	\$657,815	-69.2%	\$1,612,210	\$1,301,510	23.9%

2. ROAD FUND REVENUE

	<u>2010</u>	<u>JANUARY</u>		<u>JULY THROUGH JANUARY</u>		
		<u>2009</u>	<u>% Change</u>	<u>FY 2010</u>	<u>FY 2009</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$91,113,201	\$90,927,506	0.2%	\$672,820,437	\$682,957,113	-1.5%
Tax Receipts-	\$89,173,659	\$87,516,008	1.9%	\$656,916,076	\$664,265,781	-1.1%
Sales and Gross Receipts	\$79,245,688	\$77,556,387	2.2%	\$566,001,859	\$567,030,380	-0.2%
Motor Fuels Taxes	56,798,494	51,168,437	11.0%	377,551,365	366,847,256	2.9%
Motor Vehicle Usage	22,447,194	26,387,950	-14.9%	188,450,494	200,183,124	-5.9%
License and Privilege	\$9,927,971	\$9,959,621	-0.3%	\$90,914,217	\$97,235,401	-6.5%
Motor Vehicles	6,904,181	6,406,585	7.8%	40,153,240	39,452,225	1.8%
Motor Vehicle Operators	1,196,391	1,198,787	-0.2%	9,266,187	9,187,466	0.9%
Weight Distance	1,406,279	1,476,244	-4.7%	36,723,482	42,193,593	-13.0%
Truck Decal Fees	3,362	7,652	-56.1%	48,991	84,426	-42.0%
Other Special Fees	417,758	870,352	-52.0%	4,722,318	6,317,691	-25.3%
Nontax Receipts	\$1,840,992	\$2,997,860	-38.6%	\$14,266,389	\$18,050,962	-21.0%
Departmental Fees	1,512,876	1,965,374	-23.0%	10,884,101	11,258,879	-3.3%
In Lieu of Traffic Fines	68,428	75,181	-9.0%	441,979	557,272	-20.7%
Investment Income	153,603	919,151	-83.3%	2,489,116	5,870,546	-57.6%
Miscellaneous	106,084	38,155	178.0%	451,193	364,264	23.9%
Redeposit of State Funds	\$98,550	\$413,638	-76.2%	\$1,637,972	\$640,370	155.8%

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