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GENERAL FUND AND ROAD FUND RECEIPTS
FOR MAY 2010

General Fund receipts rose 3.1 percent
Road Fund receipts rose 16.6 percent

The Office of State Budget Director reported today that May's General Fund receipts rose 3.1 percent compared to May of last year. Total revenues for the month were \$636.7 million, compared to \$617.4 million during May 2009. Through the first 11 months of the fiscal year, receipts are down 3.1 percent. The official revenue estimate calls for a 2.7 percent decline for the entire fiscal year. Road Fund receipts for May totaled \$115.8 million, a 16.6 percent increase from May 2009 levels. Year-to-date receipts are up 1.4 percent.

State Budget Director Mary Lassiter noted that General Fund receipts are starting to show some positive signs that were predicted by the Consensus Forecasting Group in December of 2009 when the official revenue estimate was last revised. "May's revenue growth will be needed to help meet the revenue estimate. The state's panel of economists targeted the April through June quarter of 2010 as a time where state revenues would start to reflect some of the underlying recovery in the national economy, and many key revenue sources are now trending in a manner consistent with their predictions. With one month remaining in the fiscal year, we are cautiously watching state revenues." The most recent quarterly revenue report predicted a Fiscal Year 2010 revenue shortfall of approximately \$33 million.

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Among the major accounts:

- Sales and use tax receipts were up 1.1 percent for the month and are down 2.7 percent for the year.
- Corporation income tax receipts were -\$4.0 million for the month and are down 30.6 percent for the year.
- Individual income tax collections rose 2.4 percent in May and are down 5.7 percent thus far in FY10.
- Property tax collections increased 7.0 percent for the month and are up 1.6 percent through the first 11 months of the fiscal year.
- Cigarette tax receipts increased 5.6 percent in May and are up 56.1 percent for FY10 due to the April 2009 tax increase.
- Coal severance tax receipts fell 1.8 percent in May and are down 9.1 percent year-to-date.

Road Fund receipts rose 16.6 percent in May with collections of \$115.8 million. The official Road Fund estimate calls for revenues to increase 0.6 percent for the fiscal year. Based on year-to-date tax collections, revenues could fall 7.9 percent in the final month of FY10 and still reach the consensus estimate. The revenue increase in May was due to strong growth in motor fuels tax receipts and timing of receipts. Collections in that account were 30.9 percent over collections at this time a year ago. Lassiter noted that “the abrupt rebound in the motor fuels and motor vehicle usage tax accounts has slightly exceeded the consensus projections, so it appears that the Road Fund will begin the 2011-2012 biennium with some momentum after enduring a very tough stretch over the past two years”.

Among the accounts, motor fuels increased 30.9 percent and has posted annual growth of 6.0 percent in the first 11 months of FY10. Motor vehicle usage revenue was up 6.5 percent in May and has fallen 1.1 percent this year. License and privilege receipts grew 4.4 percent in May and are off 4.6 percent through the first 11 months of the fiscal year.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	2010	MAY 2009	% Change	FY 2010	JULY THROUGH MAY FY 2009	% Change
TOTAL GENERAL FUND	\$636,693,970	\$617,403,254	3.1%	\$7,424,904,016	\$7,661,199,205	-3.1%
Tax Receipts	\$611,690,571	\$592,189,036	3.3%	\$7,150,114,305	\$7,382,890,585	-3.2%
Sales and Gross Receipts	\$305,110,597	\$298,229,369	2.3%	\$3,105,358,882	\$3,076,961,833	0.9%
Beer Consumption	570,340	566,255	0.7%	5,640,902	5,908,245	-4.5%
Beer Wholesale	4,800,115	4,617,178	4.0%	47,122,770	47,077,090	0.1%
Cigarette	21,867,102	20,708,031	5.6%	251,324,050	161,039,313	56.1%
Distilled Spirits Case Sales	9,699	15,397	-37.0%	100,067	100,000	0.1%
Distilled Spirits Consumption	961,294	1,537,595	-37.5%	9,882,152	9,875,238	0.1%
Distilled Spirits Wholesale	2,516,836	4,179,060	-39.8%	25,426,270	25,861,692	-1.7%
Insurance Premium	34,343,845	23,149,947	48.4%	119,340,504	108,968,935	9.5%
Pari-Mutuel	321,449	1,180,748	-72.8%	(265,478)	3,927,774	---
Race Track Admission	26,063	34,081	-23.5%	178,879	230,660	-22.4%
Sales and Use	230,868,363	228,331,109	1.1%	2,552,243,592	2,622,401,653	-2.7%
Wine Consumption	208,284	316,613	-34.2%	2,250,983	2,211,461	1.8%
Wine Wholesale	1,106,884	1,604,212	-31.0%	11,461,436	11,431,620	0.3%
Telecommunications Tax	5,615,490	5,487,979	2.3%	61,201,949	56,348,261	8.6%
Other Tobacco Products	1,875,635	1,823,603	2.9%	19,398,388	9,634,760	101.3%
Floor Stock Tax	19,198	4,677,559	-99.6%	52,419	11,945,133	-99.6%
License and Privilege	\$31,032,894	\$30,369,416	2.2%	\$480,939,140	\$510,840,480	-5.9%
Alc. Bev. License Suspension	69,125	25,250	173.8%	515,900	332,300	55.3%
Coal Severance	24,482,250	24,926,106	-1.8%	244,235,948	268,707,909	-9.1%
Corporation License	510,162	219,593	132.3%	3,192,889	9,027,899	-64.6%
Corporation Organization	17,727	0	---	166,606	34,065	389.1%
Occupational Licenses	9,758	27,543	-64.6%	121,309	180,439	-32.8%
Oil Production	769,298	446,410	72.3%	6,935,781	7,920,302	-12.4%
Race Track License	37,500	48,350	-22.4%	264,250	350,225	-24.5%
Bank Franchise Tax	372,760	(65,965)	---	68,639,441	73,105,679	-6.1%
Driver License Fees	45,529	45,540	0.0%	546,187	536,768	1.8%
Minerals Severance	1,103,237	683,946	61.3%	12,201,948	11,781,125	3.6%
Natural Gas Severance	2,476,538	2,001,571	23.7%	20,560,695	40,210,951	-48.9%
Limited Liability Entity	1,139,009	2,011,071	-43.4%	123,558,186	98,652,820	25.2%
Income	\$247,145,834	\$236,629,141	4.4%	\$2,980,221,603	\$3,215,569,579	-7.3%
Corporation	(4,043,260)	(8,790,848)	---	140,884,623	203,097,049	-30.6%
Individual	251,189,094	245,419,989	2.4%	2,839,336,980	3,012,472,530	-5.7%
Property	\$24,074,859	\$22,493,672	7.0%	\$516,314,809	\$508,106,489	1.6%
Building & Loan Association	982,043	878,979	11.7%	1,332,068	1,121,370	18.8%
General - Real	2,404,228	2,869,272	-16.2%	247,870,354	240,524,122	3.1%
General - Tangible	11,434,625	10,447,828	9.4%	187,156,471	197,022,105	-5.0%
Omitted & Delinquent	8,605,874	8,096,100	6.3%	34,156,195	27,850,449	22.6%
Public Service	648,090	201,397	221.8%	44,521,239	40,418,321	10.2%
Other	0	95	-100.0%	1,278,483	1,170,120	9.3%
Inheritance	\$2,599,330	\$2,469,592	5.3%	\$34,991,306	\$36,950,684	-5.3%
Miscellaneous	\$1,727,057	\$1,997,845	-13.6%	\$32,288,564	\$34,461,520	-6.3%
Legal Process	1,727,057	1,977,099	-12.6%	20,195,449	22,087,654	-8.6%
T. V. A. In Lieu Payments	0	20,747	-100.0%	11,934,807	12,313,427	-3.1%
Other	0	0	---	158,308	60,439	161.9%
Nontax Receipts	\$24,610,652	\$24,666,103	-0.2%	\$271,695,768	\$274,803,099	-1.1%
Departmental Fees	3,597,076	3,050,685	17.9%	27,153,855	29,353,551	-7.5%
PSC Assessment Fee	7,333	12,036	---	8,372,974	9,391,519	-10.8%
Fines & Forfeitures	2,548,992	2,271,172	12.2%	27,096,609	26,787,456	1.2%
Interest on Investments	71,142	70,306	1.2%	768,996	2,519,247	-69.5%
Lottery	20,000,000	20,000,000	0.0%	182,000,000	178,500,000	2.0%
Sale of NOx Credits	5,500	0	---	621,330	0	---
Miscellaneous	(1,619,392)	(738,095)	---	25,682,004	28,251,325	-9.1%
Redeposit of State Funds	\$392,747	\$548,115	-28.3%	\$3,093,944	\$3,505,521	-11.7%

2. ROAD FUND REVENUE

	<u>2010</u>	<u>MAY</u> <u>2009</u>	<u>% Change</u>	<u>FY 2010</u>	<u>JULY THROUGH MAY</u> <u>FY 2009</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$115,757,558	\$99,283,513	16.6%	\$1,099,086,859	\$1,083,414,534	1.4%
Tax Receipts-	\$114,548,412	\$97,377,497	17.6%	\$1,076,006,445	\$1,054,408,224	2.0%
Sales and Gross Receipts	\$87,912,779	\$71,866,710	22.3%	\$895,873,935	\$865,535,168	3.5%
Motor Fuels Taxes	60,950,267	46,545,758	30.9%	596,802,887	563,026,437	6.0%
Motor Vehicle Usage	26,962,511	25,320,952	6.5%	299,071,048	302,508,731	-1.1%
License and Privilege	\$26,635,633	\$25,510,787	4.4%	\$180,132,509	\$188,873,056	-4.6%
Motor Vehicles	9,264,529	9,516,038	-2.6%	87,971,015	89,301,462	-1.5%
Motor Vehicle Operators	1,248,625	1,241,964	0.5%	14,742,468	14,259,186	3.4%
Weight Distance	15,163,490	13,498,910	12.3%	69,406,900	74,461,253	-6.8%
Truck Decal Fees	337,995	297,760	13.5%	651,521	811,243	-19.7%
Other Special Fees	620,994	956,115	-35.1%	7,360,606	10,039,912	-26.7%
Nontax Receipts	\$1,193,236	\$2,001,101	-40.4%	\$21,805,875	\$27,806,016	-21.6%
Departmental Fees	838,477	1,302,484	-35.6%	16,958,487	17,178,078	-1.3%
In Lieu of Traffic Fines	65,191	81,137	-19.7%	705,499	882,983	-20.1%
Investment Income	214,224	562,723	-61.9%	3,255,640	9,225,906	-64.7%
Miscellaneous	75,343	54,756	37.6%	886,249	519,049	70.7%
Redeposit of State Funds	\$15,911	(\$95,085)	---	\$1,274,539	\$1,200,294	6.2%

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