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GENERAL FUND AND ROAD FUND RECEIPTS
FOR DECEMBER 2010

General Fund receipts rose 7.1 percent
Road Fund receipts rose 11.8 percent

FRANKFORT, Ky. (Monday, January 10, 2011) The Office of State Budget Director reported today that December's General Fund receipts rose 7.1 percent compared to December of last year, an increase of \$55.9 million. Total revenues for the month were \$843.6 million, compared to \$787.6 million during December 2009. Receipts have increased 5.4 percent for the first six months of the fiscal year that ends June 30, 2011.

The enacted budget for Fiscal Year 2011 called for 4.2 percent revenue growth. Revenues would need to grow by 3.0 percent for the last six months of the fiscal year to meet the official revenue estimate.

Road Fund receipts for December totaled \$96.6 million, an 11.8 percent increase from December 2009 levels. Year-to-date receipts have increased 12.3 percent, and are budgeted to grow by 5.3 percent for the fiscal year.

State Budget Director, Mary Lassiter, noted that weak collections last year coupled with stronger holiday spending contributed to the strong revenue growth this month. "In December 2009, receipts were \$71 million lower than in the previous December, so strong growth in December of 2010 was inevitable and expected in the budgeting process. We are encouraged to see signs of recovery in the sales and income taxes, but expect growth in the balance of the fiscal year to be tempered."

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Among the major accounts:

- Sales and use tax receipts rose 10.0 percent in December, and are up 4.7 percent for the year.
- Corporation income tax receipts declined 21.5 percent but are up 20.6 percent for the year.
- Individual income tax collections rose 5.8 percent on gains in withholding and balances on net returns which offset lower declaration payments.
- Property tax collections rose 11.6 percent and are up 4.4 percent for the year.
- Cigarette tax receipts decreased 2.4 percent. Collections for the first six months are down 3.9 percent.
- Coal severance tax receipts decreased 1.3 percent in December but have risen 10.0 percent for the year.

Road Fund receipts increased 11.8 percent in December with collections of \$96.6 million. Official budgeted Road Fund estimates call for an increase in revenues of 5.3 percent for the fiscal year. Based on year-to-date tax collections, revenues can decline 1.2 percent for the remainder of FY11 and still meet the official revenue estimate. Lassiter noted that the Road Fund has posted near double digit growth in every month of FY11 on the strength of the motor fuels taxes and taxes on the sales of motor vehicles. “The motor vehicle usage tax will continue to post good growth in FY11 as we will be comparing current year receipts to periods where the trade-in credit was applicable, making nominal growth appear higher than the underlying economic activity”.

Among the accounts, motor fuels receipts rose 13.9 percent. Motor vehicle usage revenue grew 10.8 percent. License and privilege receipts grew 33.8 percent on timing issues in the weight distance tax.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>DECEMBER</u>			<u>JULY THROUGH DECEMBER</u>		
	<u>2010</u>	<u>2009</u>	<u>% Change</u>	<u>FY 2011</u>	<u>FY 2010</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$843,566,059	\$787,644,999	7.1%	\$4,353,455,925	\$4,130,818,311	5.4%
Tax Receipts	\$817,212,185	\$765,876,937	6.7%	\$4,198,380,061	\$3,971,401,533	5.7%
Sales and Gross Receipts	\$287,907,824	\$265,725,645	8.3%	\$1,730,558,647	\$1,667,630,417	3.8%
Beer Consumption	465,787	434,334	7.2%	3,239,317	3,912,229	-17.2%
Beer Wholesale	3,997,803	3,844,969	4.0%	27,836,959	26,219,143	6.2%
Cigarette	22,611,767	23,165,442	-2.4%	135,935,849	141,487,351	-3.9%
Distilled Spirits Case Sales	9,602	9,091	5.6%	(287,866)	54,476	---
Distilled Spirits Consumption	930,150	886,656	4.9%	5,559,929	5,383,695	3.3%
Distilled Spirits Wholesale	2,484,217	2,327,462	6.7%	14,238,493	13,768,486	3.4%
Insurance Premium	(442)	1,955	---	40,471,956	40,108,708	0.9%
Pari-Mutuel	327,586	153,768	113.0%	2,619,216	(1,076,588)	---
Race Track Admission	34,538	20,955	64.8%	146,651	137,878	6.4%
Sales and Use	249,379,846	226,675,168	10.0%	1,450,157,680	1,384,808,452	4.7%
Wine Consumption	241,513	227,098	6.3%	1,259,055	1,207,468	4.3%
Wine Wholesale	1,300,564	1,186,698	9.6%	6,858,188	6,098,894	12.4%
Telecommunications Tax	4,268,538	5,196,671	-17.9%	31,550,380	34,770,933	-9.3%
Other Tobacco Products	1,850,555	1,584,228	16.8%	10,909,801	10,565,582	3.3%
Floor Stock Tax	5,800	11,150	-48.0%	63,039	183,709	-65.7%
License and Privilege	\$57,908,131	\$47,358,636	22.3%	\$278,979,400	\$221,041,335	26.2%
Alc. Bev. License Suspension	19,307	69,450	-72.2%	193,540	205,775	-5.9%
Coal Severance	23,510,383	23,820,763	-1.3%	145,030,253	131,827,275	10.0%
Corporation License	75,534	558,944	-86.5%	8,916,553	1,667,129	434.8%
Corporation Organization	4,651	0	---	28,868	123,650	-76.7%
Occupational Licenses	1,758	3,982	-55.9%	64,484	73,020	-11.7%
Oil Production	700,261	628,510	11.4%	3,749,683	3,541,827	5.9%
Race Track License	60,550	58,800	3.0%	208,750	218,000	-4.2%
Bank Franchise Tax	512,653	645,177	-20.5%	2,903,880	(428,141)	---
Driver License Fees	45,509	41,488	9.7%	313,333	298,860	4.8%
Minerals Severance	1,139,982	1,576,979	-27.7%	8,002,226	7,894,807	1.4%
Natural Gas Severance	1,965,389	1,496,745	31.3%	11,807,270	8,951,520	31.9%
Limited Liability Entity	29,872,155	18,457,798	61.8%	97,760,561	66,667,614	46.6%
Income	\$324,080,883	\$319,236,642	1.5%	\$1,800,707,652	\$1,707,267,033	5.5%
Corporation	39,588,270	50,441,016	-21.5%	125,924,331	104,428,337	20.6%
Individual	284,492,612	268,795,625	5.8%	1,674,783,320	1,602,838,697	4.5%
Property	\$140,633,971	\$125,966,033	11.6%	\$350,841,882	\$335,972,059	4.4%
Building & Loan Association	0	0	---	(53,180)	91,143	---
General - Real	98,615,419	82,123,923	20.1%	184,671,832	173,668,519	6.3%
General - Tangible	37,697,965	38,669,737	-2.5%	115,511,607	107,140,251	7.8%
Omitted & Delinquent	2,556,443	2,618,263	-2.4%	20,433,744	13,552,140	50.8%
Public Service	1,762,968	2,554,109	-31.0%	29,532,705	40,829,052	-27.7%
Other	1,176	0	---	745,176	690,953	7.8%
Inheritance	\$4,011,766	\$4,807,105	-16.5%	20,826,110	22,252,097	-6.4%
Miscellaneous	\$2,669,611	\$2,782,877	-4.1%	\$16,466,369	\$17,238,593	-4.5%
Legal Process	1,515,037	1,582,735	-4.3%	10,237,125	11,304,004	-9.4%
T. V. A. In Lieu Payments	1,134,733	1,200,142	-5.5%	6,183,626	5,934,096	4.2%
Other	19,841	0	---	45,619	493	9155.3%
Nontax Receipts	\$25,849,278	\$21,711,704	19.1%	\$153,446,712	\$158,006,853	-2.9%
Departmental Fees	2,709,657	1,769,341	53.1%	12,048,668	11,775,589	2.3%
PSC Assessment Fee	15,548	33,255	-53.2%	8,915,158	8,255,969	8.0%
Fines & Forfeitures	2,044,510	2,121,239	-3.6%	12,900,746	15,199,166	-15.1%
Interest on Investments	49,462	63,072	-21.6%	350,156	423,750	-17.4%
Lottery	17,000,000	16,500,000	3.0%	95,000,000	93,000,000	2.2%
Sale of NOx Credits	0	0	---	22,513	601,430	-96.3%
Miscellaneous	4,030,100	1,224,797	229.0%	24,209,472	28,750,948	-15.8%
Redeposit of State Funds	\$504,597	\$56,357	795.3%	1,629,152	1,409,924	15.5%

2. ROAD FUND REVENUE

	<u>DECEMBER</u>			<u>JULY THROUGH DECEMBER</u>		
	<u>2010</u>	<u>2009</u>	<u>% Change</u>	<u>FY 2011</u>	<u>FY 2010</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$96,648,620	\$86,420,116	11.8%	\$653,002,433	\$581,707,237	12.3%
Tax Receipts-	94,813,453	82,483,038	14.9%	\$640,828,192	\$567,742,417	12.9%
Sales and Gross Receipts	\$84,209,178	\$74,556,579	12.9%	\$556,084,126	\$486,756,171	14.2%
Motor Fuels Taxes	59,530,285	52,287,254	13.9%	376,728,440	320,752,872	17.5%
Motor Vehicle Usage	24,678,893	22,269,324	10.8%	179,355,687	166,003,299	8.0%
License and Privilege	\$10,604,275	\$7,926,459	33.8%	\$84,744,066	\$80,986,246	4.6%
Motor Vehicles	4,276,867	5,125,621	-16.6%	34,698,986	33,249,059	4.4%
Motor Vehicle Operators	1,269,061	1,181,855	7.4%	8,101,101	8,069,795	0.4%
Weight Distance	4,239,502	1,089,259	289.2%	37,435,753	35,317,203	6.0%
Truck Decal Fees	6,225	1,980	214.4%	67,052	45,629	47.0%
Other Special Fees	812,620	527,744	54.0%	4,441,174	4,304,560	3.2%
Nontax Receipts	\$1,579,536	\$2,829,253	-44.2%	\$10,440,211	\$12,425,397	-16.0%
Departmental Fees	1,293,705	2,427,750	-46.7%	8,735,903	9,371,225	-6.8%
In Lieu of Traffic Fines	60,943	66,885	-8.9%	374,337	373,551	0.2%
Investment Income	156,941	290,376	-46.0%	862,947	2,335,512	-63.1%
Miscellaneous	67,948	44,242	53.6%	467,024	345,109	35.3%
Redeposit of State Funds	\$255,631	\$1,107,825	-76.9%	\$1,734,030	\$1,539,422	12.6%

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