



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

For Immediate Release
February 10, 2011

Contact: Mary Lassiter
Greg Harkenrider
502-564-7300

GENERAL FUND AND ROAD FUND RECEIPTS
FOR JANUARY 2011

General Fund receipts increase 6.6 percent
Road Fund receipts increase 17.6 percent

FRANKFORT, Ky. (Thursday, February 10, 2011) - The Office of State Budget Director reported today that January General Fund receipts rose 6.6 percent compared to January of last year, an increase of \$45.8 million. Total revenues for the month were \$744.4 million, compared to \$698.6 million during January 2010. Receipts have now grown 5.6 percent for the first seven months of Fiscal Year 2011 (FY11).

The enacted budget calls for 4.2 percent revenue growth. Revenues would need to grow by 2.3 percent for the last five months of the fiscal year to meet the official revenue estimate. Road Fund receipts for January totaled \$107.2 million, a 17.6 percent increase over January 2010 levels. Year-to-date receipts for FY11 have grown 13.0 percent.

State Budget Director Mary Lassiter noted that the General Fund tax receipts continued to show moderate to good growth over the first seven months this fiscal year and are consistent with official estimates. "January was another encouraging month as most of the major taxes continued to show improvement. However, the sales tax receipts are not growing at the rates projected in the budget, and we continue to be concerned about employment levels. We predict growth for the remainder of the year will prove more difficult, but we are on course to meet or slightly exceed the current-year budgeted estimate."

-more-

Among the major accounts:

- Sales and use tax receipts increased 2.3 percent for the month and have grown 4.3 percent year-to-date.
- Corporation income tax receipts rose 34.0 percent and have increased 21.4 percent in the first seven months of the year.
- Individual income tax collections grew 18.1 percent and are up 6.2 percent through the first seven months of FY11.
- Property tax collections were off 26.9 percent, primarily due to timing differences in the collection and remittance of the real property tax receipts, and are down 1.8 percent year-to-date.
- Cigarette tax receipts declined 11.4 percent and have now fallen 4.8 percent year-to-date.
- Coal severance tax receipts grew 27.0 percent and are up 11.9 percent through the first seven months of the fiscal year.

Road Fund receipts continued their outstanding performance, increasing 17.6 percent in January 2011 with collections of \$107.2 million. The official Road Fund estimate calls for an increase in revenues of 5.3 percent for the fiscal year. Based on year-to-date tax collections, revenues can decline 4.4 percent for the remainder of FY11 and meet that estimate. Receipts, however, are consistent with the Budget Office's most recent interim estimate which calls for growth of 11.0 percent for the fiscal year. Lassiter noted that the mix of Road Fund collections has changed. "Motor fuels tax receipts were the driving force in Road Fund collections for the first half of the fiscal year while motor vehicle usage receipts were weak. That situation has reversed itself, as we expected. The change is due to differences in the variable portion of the motor fuels tax rate between last year and this year as well as the impact of the motor vehicle usage tax trade-in credit".

Among the major accounts:

- Motor fuels taxes rose 7.2 percent, bringing year-to-date growth to 15.9 percent.
- Motor vehicle usage tax revenue rose 55.8 percent in January, and has grown 13.7 percent over the first seven months of the fiscal year.
- License and privilege tax receipts fell 3.6 percent, but have grown 3.7 percent year-to-date.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	2011	JANUARY 2010	% Change	FY 2011	JULY THROUGH JANUARY FY 2010	% Change
TOTAL GENERAL FUND	\$744,365,062	\$698,566,362	6.6%	\$5,097,820,987	\$4,829,384,673	5.6%
Tax Receipts	\$722,660,736	\$677,164,088	6.7%	\$4,921,040,796	\$4,648,565,621	5.9%
Sales and Gross Receipts	\$337,868,894	\$333,471,481	1.3%	\$2,068,427,541	\$2,001,101,898	3.4%
Beer Consumption	484,865	(267,160)	---	3,724,181	3,645,069	2.2%
Beer Wholesale	4,369,130	5,332,395	-18.1%	32,206,088	31,551,539	2.1%
Cigarette	17,374,688	19,615,159	-11.4%	153,310,537	161,102,510	-4.8%
Distilled Spirits Case Sales	13,041	13,055	-0.1%	(274,825)	67,531	---
Distilled Spirits Consumption	1,264,420	1,270,378	-0.5%	6,824,349	6,654,073	2.6%
Distilled Spirits Wholesale	3,397,377	3,388,939	0.2%	17,635,870	17,157,425	2.8%
Insurance Premium	(17,222)	10,657	---	40,454,734	40,119,366	0.8%
Pari-Mutuel	65,909	95,788	-31.2%	2,685,126	(980,800)	---
Race Track Admission	0	0	---	146,651	137,878	6.4%
Sales and Use	302,046,305	295,352,152	2.3%	1,752,203,985	1,680,160,604	4.3%
Wine Consumption	321,318	307,036	4.7%	1,580,374	1,514,504	4.3%
Wine Wholesale	1,721,349	1,638,497	5.1%	8,579,536	7,737,391	10.9%
Telecommunications Tax	5,017,296	4,881,746	2.8%	36,567,676	39,652,679	-7.8%
Other Tobacco Products	1,793,808	1,820,477	-1.5%	12,703,609	12,386,059	2.6%
Floor Stock Tax	16,610	12,362	34.4%	79,650	196,071	-59.4%
License and Privilege	\$33,943,350	\$15,116,170	124.5%	\$312,922,751	\$236,157,505	32.5%
Alc. Bev. License Suspension	38,815	51,200	-24.2%	232,355	256,975	-9.6%
Coal Severance	20,495,973	16,138,179	27.0%	165,526,226	147,965,454	11.9%
Corporation License	442,284	577,113	-23.4%	9,358,837	2,244,241	317.0%
Corporation Organization	21,607	10,709	101.8%	50,475	134,359	-62.4%
Occupational Licenses	8,045	8,672	-7.2%	72,529	81,692	-11.2%
Oil Production	629,275	962,776	-34.6%	4,378,958	4,504,603	-2.8%
Race Track License	0	0	---	208,750	218,000	-4.2%
Bank Franchise Tax	281,206	297,203	-5.4%	3,185,086	(130,938)	---
Driver License Fees	42,116	44,285	-4.9%	355,449	343,145	3.6%
Minerals Severance	707,838	747,418	-5.3%	8,710,064	8,642,226	0.8%
Natural Gas Severance	2,105,150	1,637,105	28.6%	13,912,421	10,588,624	31.4%
Limited Liability Entity	9,171,040	(5,358,490)	---	106,931,601	61,309,124	74.4%
Income	\$284,428,462	\$239,906,145	18.6%	\$2,085,136,114	\$1,947,173,179	7.1%
Corporation	8,818,155	6,580,413	34.0%	134,742,487	111,008,750	21.4%
Individual	275,610,307	233,325,732	18.1%	1,950,393,627	1,836,164,429	6.2%
Property	\$61,657,835	\$84,301,091	-26.9%	\$412,499,718	\$420,273,149	-1.8%
Building & Loan Association	0	0	---	(53,180)	91,143	---
General - Real	41,500,379	55,639,427	-25.4%	226,172,211	229,307,947	-1.4%
General - Tangible	20,063,054	22,574,025	-11.1%	135,574,661	129,714,276	4.5%
Omitted & Delinquent	(1,915,243)	2,147,538	---	18,518,501	15,699,679	18.0%
Public Service	1,984,438	3,920,770	-49.4%	31,517,142	44,749,822	-29.6%
Other	25,207	19,330	30.4%	770,384	710,284	8.5%
Inheritance	\$2,263,264	\$1,490,738	51.8%	\$23,089,374	\$23,742,835	-2.8%
Miscellaneous	\$2,498,931	\$2,878,462	-13.2%	\$18,965,300	\$20,117,055	-5.7%
Legal Process	1,348,368	1,662,289	-18.9%	11,585,493	12,966,293	-10.6%
T. V. A. In Lieu Payments	1,134,733	1,200,142	-5.5%	7,318,359	7,134,238	2.6%
Other	15,830	16,031	-1.3%	61,449	16,523	271.9%
Nontax Receipts	\$21,296,493	\$21,199,989	0.5%	\$174,743,205	\$179,206,842	-2.5%
Departmental Fees	2,055,112	2,622,270	-21.6%	14,103,780	14,397,860	-2.0%
PSC Assessment Fee	1,177	69,722	-98.3%	8,916,335	8,325,691	7.1%
Fines & Forfeitures	2,116,472	2,372,412	-10.8%	15,017,217	17,571,579	-14.5%
Interest on Investments	47,143	69,677	-32.3%	397,298	493,427	-19.5%
Lottery	17,000,000	16,500,000	3.0%	112,000,000	109,500,000	2.3%
Sale of NOx Credits	0	0	---	22,513	601,430	-96.3%
Miscellaneous	76,590	(434,093)	---	24,286,062	28,316,855	-14.2%
Redeposit of State Funds	\$407,833	\$202,286	101.6%	\$2,036,986	\$1,612,210	26.3%

2. ROAD FUND REVENUE

	<u>2011</u>	<u>JANUARY</u>		<u>JULY THROUGH JANUARY</u>		
		<u>2010</u>	<u>% Change</u>	<u>FY 2011</u>	<u>FY 2010</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$107,171,099	\$91,113,201	17.6%	\$760,173,532	\$672,820,437	13.0%
Tax Receipts-	\$105,435,919	\$89,173,659	18.2%	\$746,264,112	\$656,916,076	13.6%
Sales and Gross Receipts	\$95,865,577	\$79,245,688	21.0%	\$651,949,703	\$566,001,859	15.2%
Motor Fuels Taxes	60,902,121	56,798,494	7.2%	437,630,561	377,551,365	15.9%
Motor Vehicle Usage	34,963,456	22,447,194	55.8%	214,319,142	188,450,494	13.7%
License and Privilege	\$9,570,342	\$9,927,971	-3.6%	\$94,314,409	\$90,914,217	3.7%
Motor Vehicles	7,011,889	6,904,181	1.6%	41,710,875	40,153,240	3.9%
Motor Vehicle Operators	1,122,631	1,196,391	-6.2%	9,223,732	9,266,187	-0.5%
Weight Distance	678,941	1,406,279	-51.7%	38,114,693	36,723,482	3.8%
Truck Decal Fees	4,732	3,362	40.7%	71,784	48,991	46.5%
Other Special Fees	752,150	417,758	80.0%	5,193,324	4,722,318	10.0%
Nontax Receipts	\$1,498,880	\$1,840,992	-18.6%	\$11,939,091	\$14,266,389	-16.3%
Departmental Fees	1,369,274	1,512,876	-9.5%	10,105,177	10,884,101	-7.2%
In Lieu of Traffic Fines	62,256	68,428	-9.0%	436,593	441,979	-1.2%
Investment Income	73,514	153,603	-52.1%	936,460	2,489,116	-62.4%
Miscellaneous	(6,164)	106,084	---	460,860	451,193	2.1%
Redeposit of State Funds	\$236,300	\$98,550	139.8%	\$1,970,330	\$1,637,972	20.3%

An electronic version of this report is available for viewing and downloading in PDF format at the Office of the State Budget Director's web site. To access this report, set your browser to <http://www.osbd.ky.gov>.