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GENERAL FUND AND ROAD FUND RECEIPTS
FOR OCTOBER 2011
General Fund receipts fell 0.8 percent
Road Fund receipts rose 13.2 percent

FRANKFORT, KY – Thursday (November 10, 2011) State Budget Director Mary Lassiter reported today that October's General Fund receipts fell 0.8 percent compared to last year. Total revenues for the month were \$699.8 million, compared to \$705.3 million during October 2010. Receipts have increased 3.5 percent for the first four months of the fiscal year, and need to grow 0.3 percent over the final eight months of FY12 to achieve the official revenue estimate of \$8,871.2 million.

Road Fund receipts for October totaled \$114.2 million, a 13.2 percent increase from October 2010 levels. Year-to-date Road Fund receipts have grown 6.6 percent. Based on year-to-date collections, Road Fund receipts can decline 3.0 percent and still meet the official FY12 estimate of \$1,340.9 million.

Lassiter noted that while some revenue accounts are experiencing month-to-month volatility, total General Fund collections are in line with recent preliminary forecasts for the year that predict revenues will exceed the official estimates. "In October the Consensus Forecasting Group forecasted 2.8 percent growth in the General Fund, and the Quarterly Economic and Revenue Report forecasted 3.3 percent growth. However, we are closely watching several accounts which have

shown larger than normal variations in monthly activity. The sales tax, in particular, has been volatile.”

Among the major accounts,

- Corporation income tax receipts fell 94.3 percent in October due to a negative balance on net returns but are still up 10.2 percent year-to-date.
- Individual income tax collections rose 5.1 percent, bolstered by strong withholding receipts, and are up 4.8 percent for the first four months of FY12.
- Sales and use tax receipts rose 0.7 percent in October and stand 5.5 percent above levels seen during the same period in FY11.
- Property tax collections declined 43.4 percent in October, and are down 32.6 percent year-to-date. Large swings in property tax revenues are typical in the fall months as the bulk of receipts in this category are received in the period November - January.
- Cigarette tax receipts fell 20.2 percent in October and are down 7.9 percent for the first four months of the fiscal year.
- Coal severance tax receipts rose 24.8 percent and are up 13.6 percent year-to-date. High coal prices are compensating for a slight decline in severed tons.
- Lottery revenues increased 12.5 percent in October and are up 4.9 percent for the year.

Road Fund receipts rose 13.2 percent in October on the strength of both vehicle and fuel sales. Motor vehicle usage tax receipts grew 33.1 percent for the month and have grown 14.1 percent year-to-date. Motor fuels taxes continued to show moderate growth, increasing 4.7 percent. Through the first four months of the fiscal year, motor fuels receipts have grown 4.5 percent.

Director Lassiter noted that the October Road Fund performance was also on track with recent CFG and internal revenue estimates. “Current projections call for Road Fund receipts to exhibit slightly stronger growth over the final three quarters of FY12 than the 4.6 percent growth seen in the first quarter and to end the fiscal year 5.5 percent higher than FY11 totals.”

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	OCTOBER			JULY THROUGH OCTOBER		
	2011	2010	% Change	FY 2012	FY 2011	% Change
TOTAL GENERAL FUND	\$699,797,096	\$705,310,107	-0.8%	\$2,856,250,591	\$2,760,405,902	3.5%
Tax Receipts	\$667,777,723	\$680,507,184	-1.9%	\$2,763,756,084	\$2,670,701,045	3.5%
Sales and Gross Receipts	\$304,742,029	\$306,453,414	-0.6%	\$1,222,895,632	\$1,176,106,250	4.0%
Beer Consumption	564,166	488,991	15.4%	2,247,060	2,281,027	-1.5%
Beer Wholesale	4,718,352	4,675,089	0.9%	19,864,354	19,498,645	1.9%
Cigarette	19,006,368	23,803,176	-20.2%	85,504,036	92,804,489	-7.9%
Distilled Spirits Case Sales	8,421	8,897	-5.4%	37,817	(307,609)	---
Distilled Spirits Consumption	819,848	873,983	-6.2%	3,701,625	3,641,822	1.6%
Distilled Spirits Wholesale	2,117,947	2,225,378	-4.8%	9,320,773	9,130,396	2.1%
Insurance Premium	12,347,338	10,782,248	14.5%	40,572,741	40,455,494	0.3%
Pari-Mutuel	157,578	138,217	14.0%	707,697	2,083,553	-66.0%
Race Track Admission	0	449	-100.0%	82,477	87,184	-5.4%
Sales and Use	256,755,667	254,884,991	0.7%	1,025,155,254	972,114,484	5.5%
Wine Consumption	210,685	208,046	1.3%	849,661	810,592	4.8%
Wine Wholesale	1,095,188	1,079,550	1.4%	4,326,480	4,458,326	-3.0%
Telecommunications Tax	5,123,217	5,495,650	-6.8%	23,063,227	21,649,266	6.5%
Other Tobacco Products	1,840,457	1,773,751	3.8%	7,468,180	7,343,416	1.7%
Floor Stock Tax	(23,202)	14,998	---	(5,748)	55,167	---
License and Privilege	\$46,303,939	\$45,515,900	1.7%	\$188,191,231	\$179,861,011	4.6%
Alc. Bev. License Suspension	29,950	43,392	-31.0%	79,825	142,642	-44.0%
Coal Severance	28,459,777	22,805,798	24.8%	108,668,415	95,645,649	13.6%
Corporation License	23,456	(208,912)	---	533,579	3,194,829	-83.3%
Corporation Organization	0	1,490	-100.0%	0	20,902	-100.0%
Occupational Licenses	4,172	13,443	-69.0%	29,316	46,545	-37.0%
Oil Production	728,925	608,327	19.8%	3,067,882	2,429,909	26.3%
Race Track License	0	700	-100.0%	95,000	105,700	-10.1%
Bank Franchise Tax	277,591	(213,281)	---	(646,316)	2,275,736	---
Driver License Fees	47,956	52,063	-7.9%	210,677	217,127	-3.0%
Minerals Severance	1,571,815	1,402,830	12.0%	5,858,646	5,380,126	8.9%
Natural Gas Severance	2,373,291	3,716,016	-36.1%	8,859,491	8,852,487	0.1%
Limited Liability Entity	12,787,007	17,294,036	-26.1%	61,434,716	61,549,358	-0.2%
Income	\$292,805,084	\$292,394,382	0.1%	\$1,270,911,611	\$1,207,997,225	5.2%
Corporation	828,806	14,499,408	-94.3%	92,976,687	84,400,766	10.2%
Individual	291,976,279	277,894,974	5.1%	1,177,934,924	1,123,596,459	4.8%
Property	\$17,191,354	\$30,358,528	-43.4%	\$55,244,637	\$81,984,030	-32.6%
Building & Loan Association	0	0	---	(2,299)	(53,180)	---
General - Real	2,046,639	1,148,127	78.3%	1,676,514	464,159	261.2%
General - Tangible	10,525,898	18,605,003	-43.4%	37,771,695	40,906,039	-7.7%
Omitted & Delinquent	3,568,159	1,113,578	220.4%	716,796	16,429,083	-95.6%
Public Service	625,271	9,052,159	-93.1%	14,325,632	23,561,791	-39.2%
Other	425,386	439,661	-3.2%	756,297	676,138	11.9%
Inheritance	\$3,663,626	\$2,472,910	48.2%	\$14,894,741	\$13,805,917	7.9%
Miscellaneous	\$3,071,691	\$3,312,049	-7.3%	\$11,618,233	\$10,946,612	6.1%
Legal Process	1,713,680	1,798,174	-4.7%	6,851,068	7,006,675	-2.2%
T. V. A. In Lieu Payments	1,358,011	1,513,875	-10.3%	4,762,210	3,914,160	21.7%
Other	0	0	---	4,954	25,778	-80.8%
Nontax Receipts	\$31,974,470	\$24,466,476	30.7%	\$91,639,395	\$88,801,361	3.2%
Departmental Fees	1,622,748	1,671,309	-2.9%	5,059,525	7,510,307	-32.6%
PSC Assessment Fee	1,578	11,235	-86.0%	5,424,147	8,880,740	-38.9%
Fines & Forfeitures	2,210,393	2,246,084	-1.6%	8,967,145	8,555,681	4.8%
Interest on Investments	83,668	57,242	46.2%	331,266	247,825	33.7%
Lottery	18,000,000	16,000,000	12.5%	64,000,000	61,000,000	4.9%
Sale of NOx Credits	0	0	---	0	22,513	-100.0%
Miscellaneous	10,056,082	4,480,606	124.4%	7,857,311	2,584,296	204.0%
Redeposit of State Funds	\$44,903	\$336,447	-86.7%	\$855,113	\$903,496	-5.4%

2. ROAD FUND REVENUE

	<u>2011</u>	<u>OCTOBER</u> <u>2010</u>	<u>% Change</u>	<u>FY 2012</u>	<u>JULY THROUGH OCTOBER</u> <u>FY 2011</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$114,170,844	\$100,889,840	13.2%	\$468,545,106	\$439,572,534	6.6%
Tax Receipts-	\$111,563,655	\$99,376,065	12.3%	\$461,111,481	\$430,715,772	7.1%
Sales and Gross Receipts	\$103,317,423	\$90,996,842	13.5%	\$408,210,969	\$379,118,045	7.7%
Motor Fuels Taxes	65,529,795	62,606,299	4.7%	267,246,671	255,616,263	4.5%
Motor Vehicle Usage	37,787,628	28,390,543	33.1%	140,964,298	123,501,781	14.1%
License and Privilege	\$8,246,232	\$8,379,223	-1.6%	\$52,900,512	\$51,597,727	2.5%
Motor Vehicles	5,302,148	5,569,715	-4.8%	24,806,790	23,470,214	5.7%
Motor Vehicle Operators	1,285,376	1,298,451	-1.0%	5,314,335	5,450,274	-2.5%
Weight Distance	1,036,449	922,749	12.3%	19,952,247	19,677,178	1.4%
Truck Decal Fees	3,992	12,387	-67.8%	54,793	46,654	17.4%
Other Special Fees	618,268	575,922	7.4%	2,772,347	2,953,407	-6.1%
Nontax Receipts	\$1,726,140	\$1,196,411	44.3%	\$6,340,411	\$7,250,791	-12.6%
Departmental Fees	1,496,451	990,083	51.1%	5,778,777	6,027,517	-4.1%
In Lieu of Traffic Fines	68,044	62,161	9.5%	255,518	255,134	0.2%
Investment Income	33,282	144,167	-76.9%	76,953	626,119	-87.7%
Miscellaneous	128,363	0	---	229,162	342,021	-33.0%
Redeposit of State Funds	\$881,049	\$317,364	---	\$1,093,214	\$1,605,970	-31.9%

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