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GENERAL FUND AND ROAD FUND RECEIPTS
FOR DECEMBER 2011
General Fund receipts rose 6.9 percent
Road Fund receipts rose 13.3 percent

FRANKFORT, Ky. - The Office of State Budget Director reported today that December's General Fund receipts rose 6.9 percent compared to December of last year, an increase of \$57.8 million. Total revenues for the month were \$901.4 million, compared to \$843.6 million during December 2010. Receipts have increased 3.1 percent for the first six months of the fiscal year that ends June 30, 2012.

The official revenue forecast for FY12 calls for 2.8 percent revenue growth. Revenues would need to grow 2.6 percent for the last six months of the fiscal year to meet the estimate.

Road Fund receipts for December totaled \$109.5 million, a 13.3 percent increase from December 2010 levels. Year-to-date receipts have increased 7.4 percent over the first six months of FY12. The official revenue estimate projected 5.5 percent growth for the fiscal year.

State Budget Director, Mary Lassiter noted that most of the growth in General Fund receipts came from the corporate income tax. "Corporation income tax, a notoriously volatile tax, increased approximately \$50 million over December 2010 levels. Individual income taxes increased in line with projections, and sales taxes were virtually flat. Overall revenue performance was very much in

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line with the projections made by the Consensus Forecasting Group in December. We are cautiously optimistic that the modest improvement in economic conditions will continue as predicted by the revenue forecasters.”

Among the major accounts:

- Sales and use tax receipts were flat, increasing just 0.7 percent in December and have increased 4.2 percent for the year.
- Corporation income tax receipts rose 126.0 percent and are up 48.2 percent for the year.
- Individual income tax collections rose 5.1 percent primarily due to gains in withholding. Year-to-date collections in this account have increased 3.2 percent.
- Property tax collections rose 0.4 percent but are down 9.6 percent for the year.
- Cigarette tax receipts decreased 12.6 percent. Collections for the first six months are down 6.7 percent.
- Coal severance tax receipts increased 5.1 percent in December and have grown 10.3 percent for the year.

Road Fund receipts increased 13.3 percent in December with collections of \$109.5 million. Official Road Fund estimates call for an increase in revenues of 5.5 percent for the fiscal year. Based on year-to-date tax collections, revenues need to increase 3.7 percent for the remainder of FY12 to meet the estimate. Lassiter noted that growth in Road Fund revenues has strengthened throughout the fiscal year in the two largest sources of Road Fund revenues, the motor fuels and motor vehicle usage taxes. “Higher wholesale fuel prices have resulted in increases in our fuels taxes, while strong vehicle sales continue to generate increases in the motor vehicle usage tax. Both taxes have resulted in strong revenue performance for the Road Fund.” Among the accounts, motor fuels receipts rose 14.5 percent in December, and are up 6.5 percent for the first six months. Motor vehicle usage revenue grew 17.4 percent in December, and has increased 9.5 percent over last year to date. License and privilege receipts fell 6.6 percent for the month, but have increased 9.6 percent for the year.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>DECEMBER</u>			<u>JULY THROUGH DECEMBER</u>		
	<u>2011</u>	<u>2010</u>	<u>% Change</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$901,393,476	\$843,566,059	6.9%	\$4,486,385,916	\$4,353,455,925	3.1%
Tax Receipts	\$876,198,003	\$817,212,185	7.2%	\$4,330,184,659	\$4,198,380,061	3.1%
Sales and Gross Receipts	\$288,510,641	\$287,907,824	0.2%	\$1,784,177,398	\$1,730,558,647	3.1%
Beer Consumption	440,869	465,787	-5.3%	3,140,296	3,239,317	-3.1%
Beer Wholesale	4,258,047	3,997,803	6.5%	27,903,605	27,836,959	0.2%
Cigarette	19,759,100	22,611,767	-12.6%	126,832,431	135,935,849	-6.7%
Distilled Spirits Case Sales	10,288	9,602	7.1%	58,231	(287,866)	---
Distilled Spirits Consumption	977,510	930,150	5.1%	5,651,177	5,559,929	1.6%
Distilled Spirits Wholesale	2,645,277	2,484,217	6.5%	14,582,708	14,238,493	2.4%
Insurance Premium	387	(442)	---	40,574,297	40,471,956	0.3%
Pari-Mutuel	433,350	327,586	32.3%	1,305,884	2,619,216	---
Race Track Admission	31,683	34,538	-8.3%	138,999	146,651	-5.2%
Sales and Use	251,211,088	249,379,846	0.7%	1,511,006,738	1,450,157,680	4.2%
Wine Consumption	278,050	241,513	15.1%	1,346,067	1,259,055	6.9%
Wine Wholesale	1,497,411	1,300,564	15.1%	7,006,898	6,858,188	2.2%
Telecommunications Tax	5,225,412	4,268,538	22.4%	33,574,655	31,550,380	6.4%
Other Tobacco Products	1,736,197	1,850,555	-6.2%	11,047,653	10,909,801	1.3%
Floor Stock Tax	5,974	5,800	3.0%	7,762	63,039	-87.7%
License and Privilege	\$53,142,225	\$57,908,131	-8.2%	\$276,459,052	\$278,979,400	-0.9%
Alc. Bev. License Suspension	30,100	19,307	55.9%	134,800	193,540	-30.4%
Coal Severance	24,709,936	23,510,383	5.1%	159,926,317	145,030,253	10.3%
Corporation License	232,322	75,534	207.6%	727,038	8,916,553	-91.8%
Corporation Organization	20,762	4,651	346.4%	21,667	28,868	-24.9%
Occupational Licenses	6,172	1,758	251.1%	43,070	64,484	-33.2%
Oil Production	776,624	700,261	10.9%	4,550,444	3,749,683	21.4%
Race Track License	57,500	60,550	-5.0%	195,000	208,750	-6.6%
Bank Franchise Tax	2,491,188	512,653	385.9%	1,888,274	2,903,880	-35.0%
Driver License Fees	45,021	45,509	-1.1%	305,439	313,333	-2.5%
Minerals Severance	1,889,448	1,139,982	65.7%	8,897,393	8,002,226	11.2%
Natural Gas Severance	2,005,860	1,965,389	2.1%	12,942,091	11,807,270	9.6%
Limited Liability Entity	20,877,292	29,872,155	-30.1%	86,827,520	97,760,561	-11.2%
Income	\$388,509,543	\$324,080,883	19.9%	\$1,915,601,977	\$1,800,707,652	6.4%
Corporation	89,466,883	39,588,270	126.0%	186,682,141	125,924,331	48.2%
Individual	299,042,659	284,492,612	5.1%	1,728,919,837	1,674,783,320	3.2%
Property	\$141,209,534	\$140,633,971	0.4%	\$317,100,370	\$350,841,882	-9.6%
Building & Loan Association	0	0	---	(46,134)	(53,180)	---
General - Real	74,418,335	98,615,419	-24.5%	151,686,908	184,671,832	-17.9%
General - Tangible	35,696,700	37,697,965	-5.3%	115,665,335	115,511,607	0.1%
Omitted & Delinquent	15,567,451	2,556,443	508.9%	11,558,481	20,433,744	-43.4%
Public Service	15,525,581	1,762,968	780.7%	37,477,398	29,532,705	26.9%
Other	1,468	1,176	24.8%	758,382	745,176	1.8%
Inheritance	\$2,237,846	\$4,011,766	-44.2%	19,827,894	20,826,110	-4.8%
Miscellaneous	\$2,588,214	\$2,669,611	-3.0%	\$17,017,968	\$16,466,369	3.3%
Legal Process	1,453,226	1,515,037	-4.1%	9,980,828	10,237,125	-2.5%
T. V. A. In Lieu Payments	1,134,988	1,134,733	0.0%	7,032,186	6,183,626	13.7%
Other	0	19,841	-100.0%	4,954	45,619	-89.1%
Nontax Receipts	\$25,019,733	\$25,849,278	-3.2%	\$155,009,978	\$153,446,712	1.0%
Departmental Fees	3,018,943	2,709,657	11.4%	10,102,058	12,048,668	-16.2%
PSC Assessment Fee	1,909	15,548	-87.7%	5,436,227	8,915,158	-39.0%
Fines & Forfeitures	1,783,243	2,044,510	-12.8%	12,669,932	12,900,746	-1.8%
Interest on Investments	46,770	49,462	-5.4%	416,133	350,156	18.8%
Lottery	20,000,000	17,000,000	17.6%	101,500,000	95,000,000	6.8%
Sale of NOx Credits	0	0	---	0	22,513	-100.0%
Miscellaneous	168,868	4,030,100	-95.8%	24,885,629	24,209,472	2.8%
Redeposit of State Funds	\$175,740	\$504,597	-65.2%	1,191,279	1,629,152	-26.9%

2. ROAD FUND REVENUE

	<u>DECEMBER</u>			<u>JULY THROUGH DECEMBER</u>		
	<u>2011</u>	<u>2010</u>	<u>% Change</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$109,477,943	\$96,648,620	13.3%	\$701,509,261	\$653,002,433	7.4%
Tax Receipts-	107,057,072	94,813,453	12.9%	\$690,677,281	\$640,828,192	7.8%
Sales and Gross Receipts	\$97,152,781	\$84,209,178	15.4%	\$597,794,353	\$556,084,126	7.5%
Motor Fuels Taxes	68,185,429	59,530,285	14.5%	401,323,292	376,728,440	6.5%
Motor Vehicle Usage	28,967,352	24,678,893	17.4%	196,471,061	179,355,687	9.5%
License and Privilege	\$9,904,291	\$10,604,275	-6.6%	\$92,882,928	\$84,744,066	9.6%
Motor Vehicles	5,849,919	4,276,867	36.8%	41,992,340	34,698,986	21.0%
Motor Vehicle Operators	1,219,794	1,269,061	-3.9%	7,884,214	8,101,101	-2.7%
Weight Distance	1,947,703	4,239,502	-54.1%	37,900,183	37,435,753	1.2%
Truck Decal Fees	5,815	6,225	-6.6%	77,118	67,052	15.0%
Other Special Fees	881,061	812,620	8.4%	5,029,073	4,441,174	13.2%
Nontax Receipts	\$2,291,670	\$1,579,536	45.1%	\$10,251,031	\$10,440,211	-1.8%
Departmental Fees	1,895,661	1,293,705	46.5%	9,104,016	8,735,903	4.2%
In Lieu of Traffic Fines	50,132	60,943	-17.7%	369,561	374,337	-1.3%
Investment Income	94,143	156,941	-40.0%	230,189	862,947	-73.3%
Miscellaneous	251,734	67,948	270.5%	547,265	467,024	17.2%
Redeposit of State Funds	\$129,201	\$255,631	-49.5%	\$580,949	\$1,734,030	-66.5%

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