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GENERAL FUND AND ROAD FUND RECEIPTS
FOR JULY 2012
General Fund receipts decrease 2.3 percent
Road Fund receipts increase 12.2 percent

FRANKFORT, KY (August 10, 2012) - State Budget Director Mary Lassiter announced today Kentucky's General Fund receipts for July, the first month of Fiscal Year 2013 (FY13), totaled \$677.2 million, a 2.3 percent decrease compared to July 2011 receipts.

The official revenue estimate for FY13 calls for revenue to rise 2.4 percent compared to FY12 actual receipts. Based on July's results, General Fund revenues need to increase 2.8 percent for the remainder of the fiscal year to meet the official estimate.

State Budget Director Lassiter noted that revenue collections have become a little more volatile, but the overall direction of growth is very much in line with expectations. "Despite small General Fund revenue declines in three of the past four months, we are generally comfortable that our primary revenue accounts will produce receipts consistent with the official budget estimates. Other states are experiencing similar patterns of increased monthly volatility in revenue collections as well.

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While we cannot control global economic conditions, the Governor’s Blue Ribbon Commission on Tax Reform has undertaken an exhaustive examination of our structural tax code to ensure that it produces stable and predictable revenues going forward into the 21st century.”

Among the major accounts:

- Individual income tax receipts fell 4.3 percent due to a decline in withholding receipts.
- Sales tax revenues were down 5.6 percent following strong growth in June.
- Corporation income tax collections rose 1.1 percent.
- Cigarette tax income fell 17.0 percent in July.
- Property tax receipts increased \$16.2 million due to timing issues in omitted and delinquent receipts.
- Coal severance tax revenues declined 18.7 percent.
- Lottery revenues increased 3.3 percent.

Lassiter also announced that Road Fund revenues for July totaled \$117.4 million, an increase of 12.2 percent compared to last July. Lassiter noted that strong motor vehicle usage and motor fuels tax receipts accounted for the majority of the increase in revenue. “Motor fuels and motor vehicle usage tax receipts continue to perform well; in fact, better than expected after taking into account the record levels we saw last month.”

The official revenue estimate for FY13 calls for revenue to increase 3.9 percent compared to FY12 actual receipts. Based on the first month’s receipts, revenues need to grow 3.2 percent for the rest of the fiscal year to meet budgeted levels.

Among the major Road Fund categories:

- Motor fuels tax receipts rose 9.6 percent.
- Motor vehicle usage tax increased 8.7 percent.
- License and privilege taxes grew 41.4 percent.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>2012</u>	<u>JULY</u> <u>2011</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$677,216,704	\$693,182,801	-2.3%
Tax Receipts	\$647,618,216	\$671,204,888	-3.5%
Sales and Gross Receipts	\$302,133,050	\$322,216,842	-6.2%
Beer Consumption	591,532	614,244	-3.7%
Beer Wholesale	5,198,756	5,366,845	-3.1%
Cigarette	16,800,974	20,232,282	-17.0%
Distilled Spirits Case Sales	10,486	11,823	-11.3%
Distilled Spirits Consumption	1,023,285	1,168,925	-12.5%
Distilled Spirits Wholesale	2,685,335	2,959,132	-9.3%
Insurance Premium	104,700	22,888	357.4%
Pari-Mutuel	316,358	300,925	5.1%
Race Track Admission	80,381	82,323	-2.4%
Sales and Use	266,254,606	282,175,455	-5.6%
Wine Consumption	223,576	226,486	-1.3%
Wine Wholesale	1,085,220	1,135,514	-4.4%
Telecommunications Tax	5,869,775	5,975,719	-1.8%
Other Tobacco Products	1,886,890	1,939,917	-2.7%
Floor Stock Tax	1,176	4,364	-73.0%
License and Privilege	\$36,946,660	\$45,152,760	-18.2%
Alc. Bev. License Suspension	14,128	20,300	-30.4%
Coal Severance	22,161,804	27,275,074	-18.7%
Corporation License	(331,222)	(22,898)	---
Corporation Organization	12,795	0	---
Occupational Licenses	4,973	6,050	-17.8%
Oil Production	789,817	852,105	-7.3%
Race Track License	95,000	95,000	0.0%
Bank Franchise Tax	(99,940)	89,990	---
Driver License Fees	58,448	53,786	8.7%
Minerals Severance	1,449,929	1,337,292	8.4%
Natural Gas Severance	1,565,979	1,935,215	-19.1%
Limited Liability Entity	11,224,949	13,510,847	-16.9%
Income	\$283,360,629	\$295,318,267	-4.0%
Corporation	13,093,740	12,955,769	1.1%
Individual	270,266,889	282,362,498	-4.3%
Property	\$18,169,285	\$2,003,424	806.9%
Building & Loan Association	4,180	(2,299)	---
General - Real	86,922	(5,224)	---
General - Tangible	11,425,237	8,180,062	39.7%
Omitted & Delinquent	3,886,989	(6,728,879)	---
Public Service	2,765,956	559,763	394.1%
Other	0	0	---
Inheritance Tax	\$2,889,098	\$3,543,475	-18.5%
Miscellaneous	4,119,493	2,970,122	38.7%
Legal Process	1,849,518	1,835,389	0.8%
T. V. A. In Lieu Payments	2,269,975	1,134,733	100.0%
Other	0	0	---
Nontax Receipts	\$28,894,793	\$21,378,337	35.2%
Departmental Fees	1,903,127	957,533	98.8%
PSC Assessment Fee	10,349,380	4,488,594	130.6%
Fines & Forfeitures	3,979,378	2,233,011	78.2%
Interest on Investments	(427,646)	51,600	---
Lottery	15,500,000	15,000,000	3.3%
Sale of NOx Credits	0	0	---
Miscellaneous	(2,409,445)	(1,352,401)	---
Redeposit of State Funds	\$703,695	\$599,575	17.4%

2. ROAD FUND REVENUE

	<u>2012</u>	<u>JULY</u> <u>2011</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$117,409,927	\$104,670,775	12.2%
Tax Receipts-	\$115,207,536	\$102,997,110	11.9%
Sales and Gross Receipts	\$103,557,199	\$94,757,928	9.3%
Motor Fuels Taxes	69,474,201	63,414,196	9.6%
Motor Vehicle Usage	34,082,998	31,343,733	8.7%
License and Privilege	\$11,650,337	\$8,239,181	41.4%
Motor Vehicles	5,415,829	5,633,922	-3.9%
Motor Vehicle Operators	1,367,075	1,295,092	5.6%
Weight Distance	4,257,063	946,939	349.6%
Truck Decal Fees	8,097	13,980	-42.1%
Other Special Fees	602,273	349,248	72.4%
Nontax Receipts	\$1,687,655	\$1,069,702	57.8%
Departmental Fees	759,936	1,009,551	-24.7%
In Lieu of Traffic Fines	60,800	58,580	3.8%
Investment Income	807,788	1,572	51299.1%
Miscellaneous	59,131	0	---
Redeposit of State Funds	\$514,736	\$603,963	-14.8%

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