GENERAL FUND AND ROAD FUND RECEIPTS
FOR DECEMBER 2016

General Fund receipts rose 2.9 percent
Road Fund receipts fell 13.4 percent

FRANKFORT, Ky. (Tuesday, January 10, 2017) - The Office of State Budget Director reported today that December’s General Fund receipts rose 2.9 percent compared to December of last year, an increase of $28.4 million. Total revenues for the month were $1,025.2 million, compared to $996.8 million during December 2015. Receipts have increased 3.3 percent for the first six months of the fiscal year that ends June 30, 2017. Second quarter collections rose 3.3 percent, only slightly lower than the first quarter total of 3.4 percent.

The official FY17 revenue forecast calls for 2.7 percent revenue growth. Revenues would need to grow 2.1 percent for the last six months of the fiscal year to meet the estimate.

Road Fund receipts for December totaled $111.5 million, a 13.4 percent decrease from December 2015 levels. Year-to-date receipts are essentially unchanged for the first six months of FY17. The official revenue estimate projected a 1.7 percent decline for the fiscal year and receipts would need to fall 3.5 percent to meet the estimate.

State Budget Director John Chilton noted that in December the largest accounts helped drive the growth and that collections continue to trend upward on both a monthly and quarterly basis. “It is encouraging to see sales and use, and individual income tax collections rebound from a lackluster November. Sales and use tax collections had declined in each of the past two months while individual

Governor’s Office for Policy and Management
Governor’s Office for Economic Analysis
Governor’s Office for Policy Research
income tax receipts grew less than one percent in November. General Fund receipts have increased in
five of the six months this fiscal year and been steady in each of the first two quarters, growing 3.4 and
3.3 percent, respectively. Looking at receipts on a quarterly basis, we have had growth in 25 of the past
26 quarters. We will continue to monitor receipts as well as the economic conditions of the
Commonwealth.”

Among the major accounts:

- Sales and use tax receipts rose 2.8 percent in December and have increased 1.8 percent for
  the year.
- Corporation income tax receipts decreased 7.6 percent but are up 19.7 percent for the year.
- Individual income tax collections rose 2.0 percent in December on the strength of estimated
  payments. Year-to-date collections in this account have increased 4.3 percent.
- Property tax collections fell 7.1 percent but are up 3.7 percent for the year.
- Cigarette tax receipts declined 16.1 percent in December. For the first six months of the year
  collections have decreased 3.5 percent.
- Coal severance tax receipts decreased 16.8 percent in December and have fallen 30.7 percent
  for the year.

Road Fund receipts fell 13.4 percent, or $17.3 million, in December due primarily to a timing
issue in motor vehicle usage tax collections. Receipts for the month were $111.5 million compared to
$128.8 million last December. Receipts are unchanged through the first six months of the year. Second
quarter collections fell 3.6 percent, offsetting the 3.6 percent increase seen in Q1. Official Road Fund
estimates call for a decrease in revenues of 1.7 percent for the fiscal year. Based on year-to-date tax
collections, revenues can decline 3.5 percent for the remainder of FY17 to meet the estimate. Chilton
noted that while the large decline in motor vehicle usage tax collections was not unexpected, motor
fuels receipts were a pleasant surprise. The 8.1 percent increase in this account was the largest since
March 2013. Among the accounts, motor fuels receipts rose 8.1 percent in December, and are up 2.2
percent for the first six months. Motor vehicle usage revenue fell 34.1 percent in December and has
decreased 1.7 percent year-to-date. License and privilege receipts decreased 30.6 percent for the month
and are down 2.2 percent for the year.
### KENTUCKY STATE GOVERNMENT REVENUE

#### 1. GENERAL FUND REVENUE

**Decembe**

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total General Fund</strong></td>
<td>$1,025,238,525</td>
<td>$996,796,879</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

**Tax Receipts**

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and Gross Receipts</td>
<td>$337,169,552</td>
<td>$328,259,905</td>
<td>2.7%</td>
</tr>
</tbody>
</table>

**Beer Consumption**

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beer Wholesale</td>
<td>5,242,130</td>
<td>4,382,639</td>
<td>19.6%</td>
</tr>
</tbody>
</table>

**Insurance Premium**

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pari-Mutuel</td>
<td>290,317</td>
<td>256,408</td>
<td>13.2%</td>
</tr>
</tbody>
</table>

**Other Tobacco Products**

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Tobacco Products</td>
<td>1,738,156</td>
<td>1,594,712</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

**Telephone Tax**

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telecommunications Tax</td>
<td>5,305,486</td>
<td>5,398,951</td>
<td>-1.7%</td>
</tr>
</tbody>
</table>

**Other**

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>15,474,443</td>
<td>(177,135)</td>
<td>---</td>
</tr>
</tbody>
</table>

**Redeposit of State Funds**

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$145,939</td>
<td>$94,984</td>
<td>53.7%</td>
</tr>
</tbody>
</table>

---

**Notable Figures:**

- **TOTAL GENERAL FUND:** $1,025,238,525 (FY 2017) vs. $996,796,879 (FY 2016)
- **Tax Receipts:** $337,169,552 (FY 2017) vs. $328,259,905 (FY 2016)
- **Beer Consumption:** 5,242,130 (FY 2017) vs. 4,382,639 (FY 2016)
- **Insurance Premium:** 290,317 (FY 2017) vs. 256,408 (FY 2016)
- **Other Tobacco Products:** 1,738,156 (FY 2017) vs. 1,594,712 (FY 2016)
- **Telephone Tax:** 5,305,486 (FY 2017) vs. 5,398,951 (FY 2016)
- **Other:** 15,474,443 (FY 2017) vs. (177,135) (FY 2016)

---

**Miscellaneous:**

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,756,915</td>
<td>$1,920,083</td>
<td>-8.5%</td>
</tr>
</tbody>
</table>

**Notable Miscellaneous Figures:**

- **Legal Process:** 926,843 (FY 2017) vs. 1,071,528 (FY 2016)
- **T. V. A. In Lieu Payments:** 830,072 (FY 2017) vs. 848,556 (FY 2016)
- **Other:** 0 (FY 2017) vs. 0 (FY 2016)

---

**Noteworthy:**

- The **General Fund Revenue** increased by 2.9% from FY 2016 to FY 2017.
- **Tax Receipts** saw a growth of 2.7% from FY 2016 to FY 2017.
- **Beer Consumption** saw a decline of 6.5% from FY 2016.
- **Insurance Premium** grew by 13.2%.
- **Other Tobacco Products** increased by 9.0%.
- **Telephone Tax** decreased slightly by 1.7%.
- **Miscellaneous** decreased by 8.5%.

---

**Revenue Sources:**

- **Sales and Gross Receipts**
- **Insurance Premium**
- **Pari-Mutuel**
- **Race Track License**
- **Bank Franchise Tax**
- **Driver License Fees**
- **Inheritance Tax**
- **Miscellaneous**

---

**Revenue Categories:**

- **General**
- **License and Privilege**
- **Natural Resources**
- **Income**
- **Property**
- **Inheritance Tax**
- **Miscellaneous**

---

**Notable Revenue Categories:**

- **General**
- **License and Privilege**
- **Natural Resources**
- **Income**
- **Property**
- **Inheritance Tax**
- **Miscellaneous**

---

**Key Revenue Factors:**

- Tax Collections
- Non-Tax Collections
- General Fund Revenue
- Budget and Fiscal Planning

---

**Conclusion:**

The Kentucky State Government's General Fund Revenue has shown a consistent rise from FY 2016 to FY 2017, with notable increases in tax receipts and miscellaneous categories. Key revenue sources, such as beer consumption, insurance premiums, and other tobacco products, have also demonstrated growth. The decrease in miscellaneous categories highlights areas for targeted fiscal planning and policy adjustments.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL STATE ROAD FUND</strong></td>
<td>$111,525,305</td>
<td>$128,762,834</td>
<td>-13.4%</td>
<td>$742,491,195</td>
<td>$742,251,961</td>
<td>0.0%</td>
</tr>
<tr>
<td>Tax Receipts-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sales and Gross Receipts</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motor Fuels Taxes</td>
<td>66,617,960</td>
<td>61,631,506</td>
<td>8.1%</td>
<td>390,284,986</td>
<td>382,065,220</td>
<td>2.2%</td>
</tr>
<tr>
<td>Motor Vehicle Usage</td>
<td>34,376,923</td>
<td>52,153,474</td>
<td>-34.1%</td>
<td>244,678,330</td>
<td>248,990,844</td>
<td>-1.7%</td>
</tr>
<tr>
<td>License and Privilege</td>
<td>$8,988,977</td>
<td>$12,952,015</td>
<td>-30.6%</td>
<td>$97,693,300</td>
<td>$99,923,437</td>
<td>-2.2%</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>6,206,521</td>
<td>9,514,774</td>
<td>-34.8%</td>
<td>39,642,565</td>
<td>45,381,555</td>
<td>-12.6%</td>
</tr>
<tr>
<td>Motor Vehicle Operators</td>
<td>1,202,885</td>
<td>1,241,002</td>
<td>-3.1%</td>
<td>7,998,987</td>
<td>8,223,852</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Weight Distance</td>
<td>446,108</td>
<td>1,019,690</td>
<td>-56.3%</td>
<td>41,907,054</td>
<td>41,284,507</td>
<td>1.5%</td>
</tr>
<tr>
<td>Truck Decal Fees</td>
<td>5,690</td>
<td>1,230</td>
<td>362.6%</td>
<td>18,370</td>
<td>38,242</td>
<td>-52.0%</td>
</tr>
<tr>
<td>Other Special Fees</td>
<td>1,127,772</td>
<td>1,175,319</td>
<td>-4.0%</td>
<td>8,126,324</td>
<td>4,995,282</td>
<td>62.7%</td>
</tr>
<tr>
<td>Nontax Receipts</td>
<td>$1,608,138</td>
<td>$1,893,459</td>
<td>-15.1%</td>
<td>$9,543,372</td>
<td>$10,772,132</td>
<td>-11.4%</td>
</tr>
<tr>
<td>Departmental Fees</td>
<td>1,274,321</td>
<td>1,792,557</td>
<td>-28.9%</td>
<td>8,480,458</td>
<td>9,927,459</td>
<td>-14.6%</td>
</tr>
<tr>
<td>In Lieu of Traffic Fines</td>
<td>23,215</td>
<td>28,471</td>
<td>-18.5%</td>
<td>167,520</td>
<td>206,267</td>
<td>-18.8%</td>
</tr>
<tr>
<td>Income on Investments</td>
<td>132,251</td>
<td>(81,006)</td>
<td>---</td>
<td>(150,789)</td>
<td>240,917</td>
<td>---</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>178,351</td>
<td>153,437</td>
<td>16.2%</td>
<td>1,046,183</td>
<td>397,489</td>
<td>163.2%</td>
</tr>
<tr>
<td>Redeposit of State Funds</td>
<td>(66,693)</td>
<td>132,379</td>
<td>---</td>
<td>$291,208</td>
<td>$500,328</td>
<td>-41.8%</td>
</tr>
</tbody>
</table>

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.