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GENERAL FUND AND ROAD FUND RECEIPTS
FOR AUGUST 2017

General Fund receipts rose 1.0 percent
Road Fund receipts rose 3.9 percent

FRANKFORT, Ky. (Monday, September 11, 2017) State Budget Director John Chilton reported today that General Fund receipts increased 1.0 percent in August compared to last year. Total revenues for the month were \$728.3 million, compared to \$721.4 million during August 2016. So far this fiscal year (FY18), General Fund receipts have increased 2.0 percent.

Chilton noted that even though growth through the first two months of the fiscal year has been tepid, the revenue situation is an improvement over the last six months of FY17, in which aggregate revenue collections were collectively negative. "Strength in the income taxes has pushed total General Fund revenues into positive territory thus far in FY18. However, the sales and gross receipts taxes continue to create considerable drag with receipts falling behind the lackluster pace set in FY17. Until the sales tax picks up, monthly General Fund receipts will continue to post unremarkable monthly totals. The Consensus Forecasting Group met in August and agreed on a General Fund planning estimate which calls for growth of 1.8 percent this fiscal year. Compared to the estimates included in the 2018 budget, the August planning estimate is \$206.2 million below budgeted levels for FY18. The group will meet again in October and December before rendering a final revenue estimate."

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The official revenue estimate for FY18 calls for revenue to increase 3.8 percent compared to FY17 actual receipts. Based on August's results, General Fund revenues need to grow 4.1 percent for the remainder of the fiscal year to meet the official estimate.

Among the major accounts:

- Individual income taxes rose 1.0 percent as withholding and estimated payments posted gains.
- Sales tax revenues fell 3.3 percent in August and have declined 1.3 percent through the first two months of the fiscal year.
- Corporation income tax collections increased \$7.2 million as declaration payments and net returns both grew. Year-to-date receipts have grown by \$7.0 million.
- Cigarette taxes grew 7.8 percent for the month but have fallen 4.9 percent for the year.
- Property taxes increased 4.8 percent and have grown 8.0 percent for the fiscal year.
- Coal severance tax collections in August fell 2.7 percent but are up 8.8 percent through the first two months of the fiscal year.
- Lottery revenues were unchanged at \$18.5 million in August and are on par with FY17 collections through the first two months of FY18.

Road Fund revenue grew 3.9 percent in August with revenues of \$144.6 million but have fallen 1.6 percent for the first two months of the fiscal year. Motor vehicle usage tax collections grew strongly due, in part, to a timing issue related to July collections. Motor fuels revenues declined slightly for the month. The official Road Fund revenue estimate calls for a 2.0 percent decrease in receipts for the FY18. Based on year-to-date collections, revenues can decline 2.1 percent for the remainder of the fiscal year to meet the estimate.

Among the accounts:

- Motor fuels fell 0.4 percent in August and have decreased 0.8 percent for the year.
- Motor vehicle usage collections increased 9.8 percent for the month but have declined 2.3 percent for the first two months of the fiscal year.
- License and privilege tax grew 2.6 percent.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>AUGUST</u> <u>2017</u>	<u>AUGUST</u> <u>2016</u>	<u>% Change</u>	<u>JULY THROUGH AUGUST</u> <u>FY 2018</u>	<u>JULY THROUGH AUGUST</u> <u>FY 2017</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$728,343,528	\$721,412,105	1.0%	\$1,521,162,853	\$1,490,700,113	2.0%
Tax Receipts	\$709,126,989	\$702,091,716	1.0%	\$1,468,655,739	\$1,441,559,336	1.9%
Sales and Gross Receipts	\$324,304,018	\$333,485,243	-2.8%	\$680,879,575	\$691,117,339	-1.5%
Beer Consumption	510,840	516,697	-1.1%	1,136,340	1,085,487	4.7%
Beer Wholesale	4,956,209	5,078,353	-2.4%	11,079,612	11,036,400	0.4%
Cigarette	21,559,700	20,005,407	7.8%	37,677,825	39,601,474	-4.9%
Distilled Spirits Case Sales	11,058	10,599	4.3%	25,329	24,417	3.7%
Distilled Spirits Consumption	1,036,287	1,002,406	3.4%	2,360,763	2,302,823	2.5%
Distilled Spirits Wholesale	3,070,369	2,964,262	3.6%	7,213,996	6,846,681	5.4%
Insurance Premium	601,066	1,295,215	-53.6%	637,591	1,305,236	-51.2%
Pari-Mutuel	408,816	361,013	13.2%	857,519	796,410	7.7%
Race Track Admission	116	80,349	-99.9%	84,298	80,349	4.9%
Sales and Use	283,837,354	293,656,716	-3.3%	602,545,036	610,556,434	-1.3%
Wine Consumption	210,336	213,464	-1.5%	480,374	476,466	0.8%
Wine Wholesale	1,140,998	1,263,239	-9.7%	2,569,189	2,640,399	-2.7%
Telecommunications Tax	5,248,198	5,334,331	-1.6%	10,565,220	10,796,620	-2.1%
Other Tobacco Products	1,713,654	1,703,180	0.6%	3,647,466	3,568,099	2.2%
Floor Stock Tax	(982)	15	---	(982)	43	---
License and Privilege	\$266,758	\$278,903	-4.4%	(\$379,297)	(\$1,459,955)	---
Alc. Bev. License Suspension	23,300	35,650	-34.6%	53,350	85,200	-37.4%
Corporation License	7,842	8,881	-11.7%	8,348	10,280	-18.8%
Corporation Organization	0	5,945	-100.0%	2,395	5,945	-59.7%
Occupational Licenses	11,576	13,818	-16.2%	24,443	28,434	-14.0%
Race Track License	0	95,000	-100.0%	95,000	95,000	0.0%
Bank Franchise Tax	164,493	60,148	173.5%	(685,643)	(1,807,853)	---
Driver License Fees	59,548	59,461	0.1%	122,810	123,039	-0.2%
Natural Resources	\$11,754,640	\$11,217,538	4.8%	\$22,461,880	\$20,059,186	12.0%
Coal Severance	8,212,078	8,438,578	-2.7%	16,766,683	15,411,778	8.8%
Oil Production	379,260	394,967	-4.0%	739,832	850,361	-13.0%
Minerals Severance	2,240,695	1,959,151	14.4%	3,693,268	3,145,935	17.4%
Natural Gas Severance	922,607	424,841	117.2%	1,262,097	651,113	93.8%
Income	\$339,617,015	\$326,502,978	4.0%	\$712,685,740	\$683,760,493	4.2%
Corporation	(2,484,820)	(9,707,025)	---	21,356,222	14,395,488	48.4%
Individual	333,477,238	330,215,545	1.0%	675,398,855	664,341,866	1.7%
Limited Liability Entity	8,624,598	5,994,458	43.9%	15,930,663	5,023,139	217.1%
Property	\$25,727,213	\$24,550,501	4.8%	\$39,995,235	\$37,036,418	8.0%
Building & Loan Association	0	16,633	-100.0%	10,684	16,633	-35.8%
General - Real	50,132	39,731	26.2%	21,870	6,519	235.5%
General - Tangible	12,831,570	9,676,089	32.6%	22,764,861	21,132,389	7.7%
Omitted & Delinquent	3,523,769	3,189,027	10.5%	1,634,378	812,374	101.2%
Public Service	9,321,742	11,624,206	-19.8%	15,563,442	15,063,688	3.3%
Other	0	4,815	-100.0%	0	4,815	-100.0%
Inheritance Tax	\$5,520,493	\$4,174,447	32.2%	\$9,304,445	\$7,227,861	28.7%
Miscellaneous	\$1,936,853	\$1,882,106	2.9%	\$3,708,161	\$3,817,994	-2.9%
Legal Process	1,102,901	1,029,626	7.1%	2,030,698	2,116,958	-4.1%
T. V. A. In Lieu Payments	830,072	848,556	-2.2%	1,660,144	1,697,112	-2.2%
Other	3,880	3,924	-1.1%	17,319	3,924	341.3%
Nontax Receipts	\$19,103,934	\$18,580,996	2.8%	\$52,771,760	\$48,833,546	8.1%
Departmental Fees	748,902	1,062,364	-29.5%	2,047,112	1,870,773	9.4%
PSC Assessment Fee	761,262	365,784	108.1%	15,810,072	12,907,059	22.5%
Fines & Forfeitures	1,466,778	1,579,213	-7.1%	2,934,837	3,283,710	-10.6%
Income on Investments	(385,236)	(49,102)	---	(589,882)	(32,581)	---
Lottery	18,500,000	18,500,000	0.0%	36,000,000	36,000,000	0.0%
Miscellaneous	(1,987,772)	(2,877,264)	---	(3,430,379)	(5,195,416)	---
Redeposit of State Funds	\$112,604	\$739,394	-84.8%	(\$264,646)	\$307,231	---

	<u>AUGUST</u>	<u>AUGUST</u>	<u>% Change</u>	<u>JULY THROUGH AUGUST</u>		<u>% Change</u>
	<u>2017</u>	<u>2016</u>		<u>FY 2018</u>	<u>FY 2017</u>	
TOTAL STATE ROAD FUND	\$144,644,897	\$139,239,342	3.9%	\$256,892,728	\$261,061,672	-1.6%
Tax Receipts	\$142,378,045	\$137,340,284	3.7%	\$253,029,891	\$258,062,239	-2.0%
Sales and Gross Receipts	\$115,246,077	\$110,883,834	3.9%	\$214,266,312	\$217,277,831	-1.4%
Motor Fuels Taxes	63,602,629	63,836,966	-0.4%	127,271,628	128,276,419	-0.8%
Motor Vehicle Usage	51,643,448	47,046,868	9.8%	86,994,684	89,001,412	-2.3%
License and Privilege	\$27,131,968	\$26,456,451	2.6%	\$38,763,579	\$40,784,407	-5.0%
Motor Vehicles	9,058,278	8,139,372	11.3%	14,046,406	13,966,759	0.6%
Motor Vehicle Operators	1,414,647	1,376,341	2.8%	2,836,656	2,791,538	1.6%
Weight Distance	15,944,076	15,837,455	0.7%	20,479,640	20,035,620	2.2%
Truck Decal Fees	7,513	1,980	279.5%	12,663	2,010	530.0%
Other Special Fees	707,455	1,101,303	-35.8%	1,388,214	3,988,480	-65.2%
Nontax Receipts	\$2,108,537	\$1,757,969	19.9%	\$3,681,166	\$2,862,809	28.6%
Departmental Fees	1,630,482	1,525,317	6.9%	2,669,624	2,464,893	8.3%
In Lieu of Traffic Fines	35,055	33,375	5.0%	61,560	62,370	-1.3%
Income on Investments	421,010	(94,829)	---	875,754	(25,044)	---
Miscellaneous	21,990	294,106	-92.5%	74,228	360,590	-79.4%
Redeposit of State Funds	\$158,315	\$141,088	12.2%	181,671	\$136,624	33.0%

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