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**GENERAL FUND AND ROAD FUND RECEIPTS**  
**FOR DECEMBER 2017**

***General Fund receipts rose 11.2 percent***  
***Road Fund receipts rose 1.5 percent***

**FRANKFORT, Ky. (Wednesday, January 10, 2018)** - The Office of State Budget Director reported today that December's General Fund receipts were the highest on record as receipts totaled \$1,140.1 million. Revenue collections increased 11.2 percent compared to December of last year, an increase of \$114.8 million. Receipts have increased 3.1 percent for the first six months of the fiscal year that ends June 30, 2018. Second quarter collections rose 3.2 percent, which is slightly higher than the first quarter total of 2.9 percent.

The official FY18 revenue forecast, which was officially revised by the Consensus Forecasting Group (CFG) on December 15, 2017, calls for 2.3 percent revenue growth. Actual receipts of \$5,400 million through the first six months of the fiscal year are only \$40 million ahead of the CFG projection. Revenues will need to grow only 1.5 percent for the last six months of the fiscal year to meet the estimate.

Road Fund receipts for December totaled \$113.2 million, a 1.5 percent increase from December 2016 levels. Year-to-date receipts have fallen 0.4 percent. The official revenue estimate calls for a 0.3 percent decline for the fiscal year and receipts can decline 0.2 percent over the remainder of the fiscal year and still meet the estimate.

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While State Budget Director John Chilton was pleased with the growth in General Fund receipts, he acknowledged some concern that there may be extra volatility to this year's monthly receipts.

“The concern with a very large month of tax receipts is that what appears to be actual growth could be merely an acceleration of revenue that would have been realized in later months of the fiscal year. Federal tax law changes in late December that limit the federal deductibility of state and local income and property tax payments in 2018 could have prompted some taxpayers to send estimated tax payments prior to the end of the calendar year. The acceleration of those payments could have swelled the income tax coffers in December. In another tax account, property tax revenue, which is typically volatile within the year, rose 33.3 percent in December but is up only 5.5% year-to-date. As noted, individual taxpayers may have accelerated property tax payments in response to the federal income tax changes.. Overall, December's strong growth is certainly encouraging and seems to be consistent with the recent estimates by the Consensus Forecasting Group, but the fiscal year is only half over.”

Among the major accounts:

- Sales and use tax receipts rose 3.0 percent in December and have increased 2.7 percent for the year.
- Corporation income tax receipts increased 18.9 percent and are up 1.3 percent for the year.
- Individual income tax collections rose 14.2 percent in December on the strength of withholding and estimated tax receipts. Year-to-date collections in this account have increased 3.6 percent.
- Property tax collections rose 33.3 percent and are up 5.5 percent for the year.
- Cigarette tax receipts increased 9.2 percent in December. For the first six months of the year, collections have decreased 4.9 percent.
- Coal severance tax receipts decreased 18.9 percent in December and have fallen 6.8 percent for the year.

Road Fund receipts rose 1.5 percent, or \$1.7 million, in December. Receipts for the month were \$113.2 million compared to \$111.5 last December. Receipts have declined 0.4 percent through the first six months of the year. Second Quarter collections fell 0.3 percent after falling 0.5 percent in the first quarter. The CFG's official Road Fund estimates call for a decrease in revenues of 0.3 percent for the fiscal year. Based on year-to-date tax collections, revenues can decline 0.2 percent for the remainder of FY18 to meet the estimate.

Among the Road Fund accounts, motor fuels receipts fell 1.2 percent in December, and are down 0.5 percent for the first six months. Motor vehicle usage revenue rose 2.4 percent in December but has decreased 1.3 percent year-to-date. License and privilege receipts decreased 6.0 percent for the month but are up 0.6 percent for the year.

KENTUCKY STATE GOVERNMENT REVENUE  
1. GENERAL FUND REVENUE

	<u>DECEMBER</u> <u>2017</u>	<u>DECEMBER</u> <u>2016</u>	<u>% Change</u>	<u>JULY THROUGH DECEMBER</u> <u>FY 2018</u>	<u>JULY THROUGH DECEMBER</u> <u>FY 2017</u>	<u>% Change</u>
<b>TOTAL GENERAL FUND</b>	<b>\$1,140,037,715</b>	<b>\$1,025,238,525</b>	<b>11.2%</b>	<b>\$5,399,886,462</b>	<b>\$5,239,517,779</b>	<b>3.1%</b>
<b>Tax Receipts</b>	<b>\$1,114,092,969</b>	<b>\$986,550,196</b>	<b>12.9%</b>	<b>\$5,217,860,739</b>	<b>\$5,058,625,079</b>	<b>3.1%</b>
Sales and Gross Receipts	\$346,392,843	\$337,169,552	2.7%	\$2,080,476,954	\$2,038,131,133	2.1%
Beer Consumption	468,385	516,603	-9.3%	3,256,894	3,251,869	0.2%
Beer Wholesale	4,814,350	5,242,130	-8.2%	31,410,893	31,643,777	-0.7%
Cigarette	18,376,242	16,827,439	9.2%	106,136,572	111,653,427	-4.9%
Distilled Spirits Case Sales	14,242	18,933	-24.8%	78,368	79,472	-1.4%
Distilled Spirits Consumption	1,283,129	1,716,715	-25.3%	7,199,009	7,366,519	-2.3%
Distilled Spirits Wholesale	4,242,303	5,313,915	-20.2%	22,786,787	22,473,650	1.4%
Insurance Premium	1,005,904	66,428	1414.3%	46,259,472	46,753,081	-1.1%
Pari-Mutuel	664,784	290,317	129.0%	2,813,108	2,131,495	32.0%
Race Track Admission	49,219	14,456	240.5%	158,150	106,418	48.6%
Sales and Use	306,491,780	297,430,983	3.0%	1,807,657,375	1,759,451,644	2.7%
Wine Consumption	302,648	396,928	-23.8%	1,544,357	1,658,248	-6.9%
Wine Wholesale	1,744,493	2,291,063	-23.9%	8,568,766	9,326,819	-8.1%
Telecommunications Tax	5,121,599	5,305,486	-3.5%	31,383,438	31,362,796	0.1%
Other Tobacco Products	1,813,712	1,738,156	4.3%	11,224,697	10,870,076	3.3%
Floor Stock Tax	51	0	---	(931)	1,841	---
License and Privilege	\$1,131,490	\$590,387	91.7%	\$1,392,094	(\$726,463)	-291.6%
Alc. Bev. License Suspension	55,083	32,750	68.2%	275,367	235,703	16.8%
Corporation License	14,425	4,694	207.3%	12,086	(7,438)	---
Corporation Organization	810	1,200	-32.5%	17,640	923,197	-98.1%
Occupational Licenses	8,697	8,856	-1.8%	67,581	66,904	1.0%
Race Track License	100,600	52,500	91.6%	229,050	181,475	26.2%
Bank Franchise Tax	902,198	436,844	106.5%	445,647	(2,480,569)	---
Driver License Fees	49,676	53,544	-7.2%	344,722	354,266	-2.7%
Natural Resources	\$10,023,265	\$11,392,890	-12.0%	\$64,251,281	\$65,243,389	-1.5%
Coal Severance	6,787,297	8,369,156	-18.9%	46,627,466	50,023,771	-6.8%
Oil Production	452,182	387,356	16.7%	2,418,239	2,447,879	-1.2%
Minerals Severance	1,841,758	1,918,596	-4.0%	10,946,731	10,023,699	9.2%
Natural Gas Severance	942,027	717,781	31.2%	4,258,845	2,748,040	55.0%
Income	\$581,437,024	\$502,437,346	15.7%	\$2,617,232,413	\$2,527,262,083	3.6%
Corporation	107,349,894	90,308,879	18.9%	275,358,104	271,720,629	1.3%
Individual	436,664,599	382,204,470	14.2%	2,236,125,976	2,158,191,451	3.6%
Limited Liability Entity	37,422,530	29,923,997	25.1%	105,748,333	97,350,003	8.6%
Property	\$170,479,309	\$127,860,298	33.3%	\$415,819,563	\$394,238,159	5.5%
Building & Loan Association	0	(1,261)	---	9,883	15,372	---
General - Real	85,865,960	80,991,882	6.0%	209,401,905	198,670,874	5.4%
General - Tangible	54,128,914	37,959,689	42.6%	149,063,034	134,550,736	10.8%
Omitted & Delinquent	2,760,368	5,260,775	-47.5%	9,206,025	9,309,675	-1.1%
Public Service	27,257,091	3,136,540	769.0%	47,078,792	50,748,275	-7.2%
Other	466,975	512,674	-8.9%	1,059,924	943,227	12.4%
Inheritance Tax	\$2,763,509	\$5,342,808	-48.3%	\$26,996,075	\$22,584,767	19.5%
Miscellaneous	\$1,865,529	\$1,756,915	6.2%	\$11,692,359	\$11,892,010	-1.7%
Legal Process	988,229	926,843	6.6%	6,376,670	6,585,246	-3.2%
T. V. A. In Lieu Payments	877,300	830,072	5.7%	5,311,809	5,262,981	0.9%
Other	0	0	---	3,880	43,784	-91.1%
<b>Nontax Receipts</b>	<b>\$25,516,186</b>	<b>\$38,542,390</b>	<b>-33.8%</b>	<b>\$179,834,612</b>	<b>\$178,641,631</b>	<b>0.7%</b>
Departmental Fees	1,962,919	1,822,283	7.7%	7,719,554	7,448,660	3.6%
PSC Assessment Fee	1,437	(180)	---	15,825,437	13,031,320	21.4%
Fines & Forfeitures	1,220,872	1,367,303	-10.7%	8,608,772	9,296,389	-7.4%
Income on Investments	(557,333)	(121,459)	---	(3,243,422)	(327,005)	---
Lottery	20,500,000	20,000,000	2.5%	116,500,000	118,127,129	-1.4%
Miscellaneous	2,388,292	15,474,443	-84.6%	34,424,269	31,065,138	10.8%
Redeposit of State Funds	\$428,560	\$145,939	193.7%	\$2,191,112	\$2,251,069	-2.7%

	<u>DECEMBER</u>	<u>DECEMBER</u>	<u>% Change</u>	<u>JULY THROUGH DECEMBER</u>		<u>% Change</u>
	<u>2017</u>	<u>2016</u>		<u>FY 2018</u>	<u>FY 2017</u>	
<b>TOTAL STATE ROAD FUND</b>	<b>\$113,195,310</b>	<b>\$111,525,305</b>	<b>1.5%</b>	<b>\$739,514,012</b>	<b>\$742,491,195</b>	<b>-0.4%</b>
Tax Receipts-	111,447,100	109,983,860	1.3%	\$728,162,931	\$732,656,616	-0.6%
Sales and Gross Receipts	\$100,998,846	\$100,994,883	0.0%	\$629,845,594	\$634,963,316	-0.8%
Motor Fuels Taxes	64,749,478	66,617,960	-2.8%	388,290,442	390,284,986	-0.5%
Motor Vehicle Usage	36,249,369	34,376,923	5.4%	241,555,152	244,678,330	-1.3%
License and Privilege	\$10,448,254	\$8,988,977	16.2%	\$98,317,337	\$97,693,300	0.6%
Motor Vehicles	7,424,341	6,206,521	19.6%	41,287,821	39,642,565	4.2%
Motor Vehicle Operators	1,270,040	1,202,885	5.6%	8,384,931	7,998,987	4.8%
Weight Distance	1,212,650	446,108	171.8%	41,432,813	41,907,054	-1.1%
Truck Decal Fees	4,057	5,690	-28.7%	25,360	18,370	38.0%
Other Special Fees	537,166	1,127,772	-52.4%	7,186,412	8,126,324	-11.6%
Nontax Receipts	\$1,630,955	\$1,608,138	1.4%	\$10,744,595	\$9,543,372	12.6%
Departmental Fees	1,274,057	1,274,321	0.0%	8,792,318	8,480,458	3.7%
In Lieu of Traffic Fines	24,960	23,215	7.5%	168,896	167,520	0.8%
Income on Investments	126,656	132,251	-4.2%	1,037,731	(150,789)	---
Miscellaneous	205,282	178,351	15.1%	745,650	1,046,183	-28.7%
Redeposit of State Funds	117,256	(66,693)	---	\$606,487	\$291,208	108.3%

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