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GENERAL FUND AND ROAD FUND RECEIPTS
FOR FEBRUARY 2018

General Fund receipts increased 11.8 percent
Road Fund receipts decreased 7.8 percent

FRANKFORT, Ky. (Friday, March 9, 2018) - The Office of State Budget Director reported today that February's net General Fund receipts rose 11.8 percent compared to February of last year, an increase of \$84.0 million. Total revenues for the month were \$793.0 million, compared to \$709.0 million during February 2017. Receipts have now grown 4.6 percent for the first eight months of FY18.

The official CFG estimate calls for 2.3 percent revenue growth for the entire fiscal year. To meet the official revenue estimate, receipts can fall 2.1 percent over the last four months of the fiscal year.

State Budget Director John Chilton noted that nearly all of the increase in February collections was a result of a timing issue in the issuance of individual income tax refunds. "Each year during the months of February through April, receipts are somewhat volatile due to variations in the timing of the processing of income tax refunds. The Department of Revenue's enhanced fraud detection initiative has resulted in a slight delay in the issuance of 2018 refunds. The result of this action means that February collections are artificially high. When the catch-up refunds are issued in March, we expect to see a concomitant decline in individual income tax receipts. If refunds in 2018 went out at the 2017 level, the February's total General Fund receipts would have actually fallen by \$7.0 million."

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Among the major accounts:

- Sales and use tax receipts increased 5.3 percent for the month and have grown 3.1 percent year-to-date. After declining 1.3 percent in the first two months of the year, collections in this account have increased 4.7 percent.
- Corporation income tax receipts decreased \$18.5 million in February as both declarations and net returns fell. For the year, revenues have fallen 3.8 percent.
- Individual income tax collections grew 28.0 percent, \$88.9 million, in February. Collections have grown 7.8 percent through the first eight months of FY18. Net returns were up \$91.2 million for the month, which offset declines in both withholding and estimated payments. As noted above, the unusual growth in net individual income tax receipts is attributable to an administrative delay in the issuance of taxpayer refunds.
- Property tax collections grew 1.3 percent for the month and have increased 3.8 percent year-to-date.
- Cigarette tax receipts fell 1.5 percent for the month and have decreased 4.4 percent year-to-date.
- Coal severance tax receipts decreased 7.3 percent in February and are down 8.1 percent through the first eight months of the fiscal year.

Road Fund receipts declined 7.8 percent in February as collections totaled \$110.9 million. Total revenue has fallen 1.5 percent through the first eight months of FY18. Like the General Fund, Road Fund revenues were also impacted by a timing issue. Approximately \$11.0 million of February motor fuels receipts were processed in March rather than February. Had that money been processed in February, motor fuels receipts would have increased 2.0 percent. Motor fuels and motor vehicle usage tax receipts both posted declines for the month and offset gains in license and privilege, and nontax receipts. The official Road Fund revenue estimate calls for revenues to decline 0.3 percent for the fiscal year. Based on year-to-date tax collections, revenues must increase 1.9 percent for the remainder of FY18 to meet the official estimate. Among the accounts, motor fuels fell 17.5 percent. Motor vehicle usage revenue decreased 3.4 percent, and license and privilege receipts rose 7.1 percent.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>FEBRUARY</u> <u>2018</u>	<u>FEBRUARY</u> <u>2017</u>	<u>% Change</u>	<u>JULY THROUGH</u> <u>FY 2018</u>	<u>FEBRUARY</u> <u>FY 2017</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$793,009,732	\$709,017,470	11.8%	\$7,149,728,224	\$6,833,131,807	4.6%
Tax Receipts	\$765,280,843	\$682,465,737	12.1%	\$6,919,331,040	\$6,608,669,795	4.7%
Sales and Gross Receipts	\$300,586,164	\$290,534,161	3.5%	\$2,768,772,252	\$2,704,584,665	2.4%
Beer Consumption	344,862	365,600	-5.7%	4,022,701	4,098,079	-1.8%
Beer Wholesale	3,179,434	3,033,152	4.8%	39,131,751	39,450,230	-0.8%
Cigarette	16,220,864	16,463,507	-1.5%	136,693,529	142,946,114	-4.4%
Distilled Spirits Case Sales	9,821	5,177	89.7%	104,262	100,939	3.3%
Distilled Spirits Consumption	891,320	504,775	76.6%	9,558,606	9,367,275	2.0%
Distilled Spirits Wholesale	2,742,876	1,653,364	65.9%	30,408,099	28,965,373	5.0%
Insurance Premium	28,996,112	37,443,371	-22.6%	75,311,063	84,330,271	-10.7%
Pari-Mutuel	604,956	625,945	-3.4%	4,104,141	3,148,443	30.4%
Race Track Admission	0	0	---	159,457	141,991	12.3%
Sales and Use	239,930,984	227,851,553	5.3%	2,399,862,833	2,326,719,691	3.1%
Wine Consumption	214,558	122,310	75.4%	2,127,909	2,148,819	-1.0%
Wine Wholesale	1,147,756	672,312	70.7%	11,757,069	12,134,554	-3.1%
Telecommunications Tax	4,898,522	157,969	3000.9%	41,227,533	36,716,920	12.3%
Other Tobacco Products	1,404,100	1,635,126	-14.1%	14,303,970	14,309,928	0.0%
Floor Stock Tax	0	0	---	(673)	6,040	---
License and Privilege	\$12,542,336	\$6,368,735	96.9%	\$16,083,482	\$6,597,191	143.8%
Alc. Bev. License Suspension	32,833	14,450	127.2%	336,533	273,153	23.2%
Corporation License	(5,661)	(5,583)	---	6,080	(11,580)	---
Corporation Organization	3,510	0	---	44,545	967,762	-95.4%
Occupational Licenses	9,011	8,862	1.7%	86,952	82,866	4.9%
Race Track License	0	0	---	232,200	227,475	2.1%
Bank Franchise Tax	12,447,019	6,296,455	97.7%	14,928,406	4,601,287	224.4%
Driver License Fees	55,624	54,551	2.0%	448,765	456,228	-1.6%
Natural Resources	\$9,830,660	\$11,242,004	-12.6%	\$84,387,730	\$87,523,722	-3.6%
Coal Severance	8,449,679	9,115,866	-7.3%	62,546,799	68,052,961	-8.1%
Oil Production	319,001	436,517	-26.9%	3,192,502	3,334,633	-4.3%
Minerals Severance	926,819	1,006,676	-7.9%	12,862,455	12,126,193	6.1%
Natural Gas Severance	135,160	682,946	-80.2%	5,785,975	4,009,935	44.3%
Income	\$409,665,632	\$341,830,072	19.8%	\$3,476,292,049	\$3,258,852,505	6.7%
Corporation	(9,480,692)	9,023,561	---	279,132,935	290,021,726	-3.8%
Individual	406,446,436	317,563,115	28.0%	3,070,694,575	2,849,149,094	7.8%
Limited Liability Entity	12,699,888	15,243,396	-16.7%	126,464,539	119,681,685	5.7%
Property	\$28,465,457	\$28,087,921	1.3%	\$526,001,992	\$506,982,232	3.8%
Building & Loan Association	21,518	0	---	31,401	15,372	104.3%
General - Real	9,098,231	8,594,061	5.9%	275,147,283	265,396,633	3.7%
General - Tangible	14,404,016	14,278,184	0.9%	187,517,481	173,539,871	8.1%
Omitted & Delinquent	2,521,545	2,698,237	-6.5%	11,412,483	10,692,303	6.7%
Public Service	2,095,921	2,177,335	-3.7%	50,350,485	55,918,888	-10.0%
Other	324,226	340,104	-4.7%	1,542,858	1,419,165	8.7%
Inheritance Tax	\$2,240,976	\$2,427,663	-7.7%	\$32,397,726	\$28,442,132	13.9%
Miscellaneous	\$1,949,618	\$1,975,181	-1.3%	\$15,395,809	\$15,687,348	-1.9%
Legal Process	1,066,559	1,139,686	-6.4%	8,315,551	8,709,022	-4.5%
T. V. A. In Lieu Payments	877,300	830,072	5.7%	7,066,410	6,923,125	2.1%
Other	5,758	5,423	6.2%	13,848	55,202	-74.9%
Nontax Receipts	\$26,038,440	\$23,574,199	10.5%	\$226,103,451	\$218,419,016	3.5%
Departmental Fees	2,742,223	2,220,630	23.5%	12,220,381	11,478,412	6.5%
PSC Assessment Fee	50	99	-49.7%	15,826,349	13,031,530	21.4%
Fines & Forfeitures	1,380,962	1,449,714	-4.7%	11,292,714	12,067,161	-6.4%
Income on Investments	(562,564)	(181,808)	---	(4,401,624)	(654,566)	---
Lottery	20,000,000	19,500,000	2.6%	156,000,000	156,627,129	-0.4%
Miscellaneous	2,477,769	585,563	323.1%	35,165,630	25,869,351	35.9%
Redeposit of State Funds	\$1,690,449	\$2,977,534	-43.2%	\$4,293,734	\$6,042,996	-28.9%

	<u>FEBRUARY</u> <u>2018</u>	<u>FEBRUARY</u> <u>2017</u>	<u>% Change</u>	<u>JULY THROUGH FEBRUARY</u> <u>FY 2018</u>	<u>JULY THROUGH FEBRUARY</u> <u>FY 2017</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$110,855,612	\$120,210,276	-7.8%	\$973,682,008	\$988,353,813	-1.5%
Tax Receipts-	\$108,721,487	\$118,145,906	-8.0%	\$958,230,254	\$974,288,312	-1.6%
Sales and Gross Receipts	\$82,419,262	\$93,588,592	-11.9%	\$818,042,745	\$835,096,833	-2.0%
Motor Fuels Taxes	46,473,260	56,360,872	-17.5%	498,058,580	507,139,885	-1.8%
Motor Vehicle Usage	35,946,002	37,227,721	-3.4%	319,984,165	327,956,948	-2.4%
License and Privilege	\$26,302,225	\$24,557,313	7.1%	\$140,187,509	\$139,191,479	0.7%
Motor Vehicles	9,098,839	8,622,761	5.5%	58,922,498	56,786,042	3.8%
Motor Vehicle Operators	1,399,085	1,360,987	2.8%	10,921,958	10,451,063	4.5%
Weight Distance	14,352,533	13,862,721	3.5%	60,895,491	62,183,657	-2.1%
Truck Decal Fees	1,082	4,380	-75.3%	28,272	25,806	9.6%
Other Special Fees	1,450,686	706,465	105.3%	9,419,290	9,744,912	-3.3%
Nontax Receipts	\$2,047,335	\$1,905,307	7.5%	\$14,743,485	\$13,451,784	9.6%
Departmental Fees	1,591,863	1,530,751	4.0%	12,080,817	11,606,698	4.1%
In Lieu of Traffic Fines	26,175	29,840	-12.3%	225,986	231,111	-2.2%
Income on Investments	106,478	268,762	-60.4%	1,136,043	426,630	166.3%
Miscellaneous	322,819	75,954	325.0%	1,300,639	1,187,345	9.5%
Redeposit of State Funds	\$86,789	\$159,063	-45.4%	\$708,270	\$613,717	15.4%

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