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GENERAL FUND RECEIPTS TOP \$1 BILLION IN APRIL 2018
ROAD FUND RECEIPTS INCREASE
General Fund receipts increased 6.3 percent
Road Fund receipts increased 8.8 percent

FRANKFORT, Ky. (Thursday, May 10, 2018) – The Office of State Budget Director (OSBD) reported today that April's General Fund receipts rebounded from a below par March performance with the largest collection month in the history of the Commonwealth. Collections grew 6.3 percent compared to April of last year, an increase of \$69.5 million. Total revenues for the month were \$1,165.3 million, compared to \$1,095.8 million received during April 2017. Receipts have now grown 4.1 percent for the first ten months of FY18.

Four months ago, in December 2017, the Consensus Forecasting Group lowered its official estimate of FY18 receipts by \$138.5 million. In response, the Governor issued a Budget Reduction Order that reduced spending by the amount of the shortfall. The revised revenue estimate calls for 2.3 percent revenue growth for the entire fiscal year. To meet the revised official revenue estimate, receipts can decline 6.5 percent over the last two months of the fiscal year. Economists in OSBD recently released an interim revenue estimate in which they called for revenues to grow 3.4 percent in FY18, an increase of \$110.7 million compared to revised budgeted levels, thereby recovering a major portion of the fiscal year shortfall projected in December.

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State Budget Director John Chilton noted that while April saw a large increase in receipts, those gains could easily evaporate over the final two months of the fiscal year. “Almost all of the increase in April tax collections came from the income taxes, corporation and individual. These accounts have historically exhibited significant fluctuations during the final quarter of the fiscal year, and the volatility this year will be amplified due to the recently enacted federal and state tax law changes. Even though receipts are in a strong position relative to levels in the revenue estimates, changes to the withholding tables could potentially erode some of the year-to-date gains. Additionally, after seven months of solid growth, sales tax collections registered tepid growth of 0.3 percent in April. In summary, we are very pleased with April collections and cautiously optimistic about the path of revenue growth for the remainder of FY18 and beyond.”

Among the major accounts:

- Sales and use tax receipts increased 0.3 percent for the month after growing in excess of 3 percent in each of the past seven months. Year-to-date collections have grown 3.1 percent.
- Corporation income tax receipts rose 61.1 percent in April and have increased 12.3 percent for the year. Both declarations and net returns receipts increased significantly in April.
- Individual income tax collections grew 4.7 percent in April and have grown 5.1 percent though the first ten months of FY18. Withholding receipts, while strong on a year-to-date basis, fell 3.8 percent in April. The remaining accounts, declarations, net returns and fiduciary, all increased for the month.
- Property tax collections rose 7.5 percent and are up 3.9 percent year-to-date.
- Cigarette tax receipts declined 14.1 percent in April and have fallen 5.6 percent year-to-date.
- Coal severance tax receipts fell 11.8 percent and are down 11.0 percent year-to-date.

Road Fund receipts grew 8.8 percent in April on the strength of motor vehicle license collections. Revenue totaled \$134.9 million for the month, \$11.0 million more than last year. Year-to-date collection now stand at 0.1 percent. The official Road Fund revenue estimate call for revenues to decline 0.3 percent for the fiscal year. Based on year-to-date tax collections, revenues can fall 2.4 percent for the remainder of the year to meet the estimate. The recently released interim revenue estimate calls for Road Fund revenues to end the year at -0.8 percent, or \$7.9 million below budgeted levels. Among the accounts, motor fuel revenue fell 0.4 percent, motor vehicle usage tax collections rose 3.6 percent and license and privilege receipts increased 42.6 percent.

KENTUCKY STATE GOVERNMENT REVENUE

1. GENERAL FUND REVENUE

	<u>APRIL</u> <u>2018</u>	<u>APRIL</u> <u>2017</u>	<u>% Change</u>	<u>JULY THROUGH</u> <u>FY 2018</u>	<u>FY 2017</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$1,165,316,286	\$1,095,786,656	6.3%	\$9,055,675,317	\$8,699,841,141	4.1%
Tax Receipts	\$1,140,696,366	\$1,079,116,760	5.7%	\$8,779,402,066	\$8,428,050,099	4.2%
Sales and Gross Receipts	\$359,722,364	\$362,576,927	-0.8%	\$3,464,548,958	\$3,374,476,305	2.7%
Beer Consumption	527,136	539,520	-2.3%	5,038,040	5,144,560	-2.1%
Beer Wholesale	4,808,144	5,138,415	-6.4%	48,397,608	49,268,427	-1.8%
Cigarette	15,590,256	18,157,151	-14.1%	171,166,432	181,405,454	-5.6%
Distilled Spirits Case Sales	13,798	13,275	3.9%	128,594	128,463	0.1%
Distilled Spirits Consumption	1,264,045	1,212,902	4.2%	11,785,536	11,887,889	-0.9%
Distilled Spirits Wholesale	3,943,182	3,820,214	3.2%	37,326,502	36,658,616	1.8%
Insurance Premium	66,116	375,077	-82.4%	106,596,723	100,228,386	6.4%
Pari-Mutuel	886,132	1,176,990	-24.7%	5,940,937	5,206,459	14.1%
Race Track Admission	4,261	0	---	163,718	141,991	15.3%
Sales and Use	324,435,352	323,609,761	0.3%	2,991,990,096	2,901,775,769	3.1%
Wine Consumption	250,700	261,592	-4.2%	2,596,672	2,570,600	1.0%
Wine Wholesale	1,332,271	1,431,373	-6.9%	14,343,078	15,373,585	-6.7%
Telecommunications Tax	4,845,887	5,065,883	-4.3%	51,077,490	46,876,208	9.0%
Other Tobacco Products	1,755,085	1,774,773	-1.1%	17,998,205	17,803,859	1.1%
Floor Stock Tax	0	0	---	(673)	6,040	---
License and Privilege	\$1,675,124	\$940,746	78.1%	\$116,899,458	\$105,845,159	10.4%
Alc. Bev. License Suspension	58,833	24,800	137.2%	448,200	309,053	45.0%
Corporation License	3,338	(474)	---	6,769	6,272	7.9%
Corporation Organization	0	0	---	48,121	971,452	-95.0%
Occupational Licenses	28,294	30,139	-6.1%	140,701	136,673	2.9%
Race Track License	6,300	11,621	-45.8%	238,500	239,096	-0.2%
Bank Franchise Tax	1,514,606	807,812	87.5%	115,449,034	103,597,128	11.4%
Driver License Fees	63,753	66,848	-4.6%	568,133	585,484	-3.0%
Natural Resources	\$9,308,951	\$10,258,146	-9.3%	\$102,659,975	\$109,632,892	-6.4%
Coal Severance	6,825,192	7,742,161	-11.8%	75,721,205	85,080,598	-11.0%
Oil Production	516,738	442,730	16.7%	4,230,584	4,268,366	-0.9%
Minerals Severance	981,651	1,078,022	-8.9%	14,842,452	14,238,365	4.2%
Natural Gas Severance	985,371	995,233	-1.0%	7,865,734	6,045,563	30.1%
Income	\$740,132,991	\$677,244,000	9.3%	\$4,458,182,246	\$4,226,038,761	5.5%
Corporation	71,344,969	44,287,449	61.1%	384,498,446	342,348,999	12.3%
Individual	627,360,190	599,337,264	4.7%	3,891,182,752	3,701,506,833	5.1%
Limited Liability Entity	41,427,831	33,619,287	23.2%	182,501,048	182,182,929	0.2%
Property	\$24,786,223	\$23,064,146	7.5%	\$576,931,327	\$555,398,980	3.9%
Building & Loan Association	0	0	---	31,401	15,372	---
General - Real	2,644,706	2,665,276	-0.8%	280,584,775	271,197,271	3.5%
General - Tangible	21,534,215	21,769,616	-1.1%	225,945,672	213,470,262	5.8%
Omitted & Delinquent	(3,748,065)	(2,945,845)	---	10,704,562	10,609,585	0.9%
Public Service	4,289,258	1,572,198	172.8%	57,838,226	58,433,522	-1.0%
Other	66,109	2,901	2178.6%	1,826,690	1,672,968	9.2%
Inheritance Tax	\$3,171,860	\$3,181,301	-0.3%	\$40,554,408	\$35,855,463	13.1%
Miscellaneous	\$1,898,853	\$1,851,494	2.6%	\$19,625,694	\$20,802,539	-5.7%
Legal Process	997,829	1,008,285	-1.0%	10,767,112	11,030,101	-2.4%
T. V. A. In Lieu Payments	877,300	830,072	5.7%	8,821,010	9,690,032	-9.0%
Other	23,724	13,137	80.6%	37,572	82,406	-54.4%
Nontax Receipts	\$24,175,411	\$16,290,645	48.4%	\$271,352,963	\$264,068,657	2.8%
Departmental Fees	2,248,812	2,173,713	3.5%	17,135,596	16,140,707	6.2%
PSC Assessment Fee	55	439	-87.4%	15,840,076	13,032,139	21.5%
Fines & Forfeitures	1,858,656	2,490,633	-25.4%	14,984,455	16,370,081	-8.5%
Income on Investments	(1,147,056)	(424,132)	---	(6,595,118)	(1,351,765)	---
Lottery	20,500,000	20,000,000	2.5%	196,500,000	196,127,129	0.2%
Miscellaneous	714,943	(7,950,008)	---	33,487,953	23,750,365	41.0%
Redeposit of State Funds	\$444,509	\$379,251	17.2%	\$4,920,288	\$7,722,385	-36.3%

	<u>APRIL</u>	<u>APRIL</u>	<u>% Change</u>	<u>JULY THROUGH APRIL</u>		<u>% Change</u>
	<u>2018</u>	<u>2017</u>		<u>FY 2018</u>	<u>FY 2017</u>	
TOTAL STATE ROAD FUND	\$134,861,355	\$123,899,871	8.8%	\$1,244,508,911	\$1,242,911,510	0.1%
Tax Receipts-	\$131,393,755	\$122,137,486	7.6%	\$1,223,256,231	\$1,224,193,426	-0.1%
Sales and Gross Receipts	\$104,502,203	\$103,280,753	1.2%	\$1,038,188,684	\$1,043,620,157	-0.5%
Motor Fuels Taxes	62,730,547	62,969,003	-0.4%	631,801,192	629,480,402	0.4%
Motor Vehicle Usage	41,771,656	40,311,750	3.6%	406,387,491	414,139,754	-1.9%
License and Privilege	\$26,891,551	\$18,856,733	42.6%	\$185,067,547	\$180,573,269	2.5%
Motor Vehicles	19,751,072	12,832,620	53.9%	93,227,257	89,423,012	4.3%
Motor Vehicle Operators	1,585,227	1,565,110	1.3%	13,960,810	13,433,501	3.9%
Weight Distance	4,647,346	3,670,199	26.6%	66,320,914	66,308,910	0.0%
Truck Decal Fees	140,977	158,925	-11.3%	193,389	190,611	1.5%
Other Special Fees	766,930	629,878	21.8%	11,365,177	11,217,236	1.3%
Nontax Receipts	\$3,315,206	\$1,744,697	90.0%	\$20,466,826	\$18,136,588	12.8%
Departmental Fees	2,510,910	1,190,481	110.9%	16,281,878	15,436,574	5.5%
In Lieu of Traffic Fines	28,666	34,469	-16.8%	290,162	303,474	-4.4%
Income on Investments	287,216	416,748	-31.1%	1,911,358	1,025,725	86.3%
Miscellaneous	488,414	102,999	374.2%	1,983,427	1,370,815	44.7%
Redeposit of State Funds	\$152,394	\$17,688	761.6%	\$785,855	\$581,496	35.1%

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