GENERAL FUND AND ROAD FUND RECEIPTS
FOR SEPTEMBER 2018

General Fund receipts rose 4.4 Percent
Road Fund receipts rose 0.4 Percent

FRANKFORT, Ky. (Wednesday, October 10, 2018) - State Budget Director John Chilton reported today that General Fund receipts rose 4.4 percent in September with revenues of $1,077.3 million. This compares to $1,032.4 million collected in September 2017. Through the first quarter of the fiscal year (FY19), the General Fund has grown 4.5 percent.

The official General Fund revenue estimate for FY19 calls for revenue to grow 3.3 percent compared to FY18 actual receipts. Based on September’s results, General Fund revenues must increase 3.0 percent for the remainder of the fiscal year to meet the official estimate.

Chilton noted that the September gains were broadly based and revenue collections continue to be impacted by legislation enacted by the General Assembly. “Total General Fund revenues grew by $44.9 million as all of the major revenue categories, with the exception of natural resources, posted gains. Sales and use, and cigarette tax collections continued to perform strongly while the income taxes have been soft. This same pattern has persisted the entire first quarter of FY19, and it conforms to expectations following the 2018 tax reform measures adopted in HB 487 where consumption taxes were increased and income-based taxation was lowered through rate reductions. As the remaining elements of tax reform are fully implemented, we will assess the overall tax reform

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strategy and address any unintended consequences that have arisen. For now, however, the combination of tax reform and a growing economy have state revenues on a solid path to hit the budgeted estimates.”

Among the major General Fund accounts:

- Individual income taxes increased 1.3 percent in September as a decline in withholding offset gains in fiduciary, net returns and estimated tax payments. Year-to-date collections are down 0.7 percent.
- Sales tax revenues grew 7.1 percent in September due in large part to HB 487. Collections have increased 8.2 percent in the first three months of the year.
- Corporation income tax receipts fell 9.1 percent for the month and have declined 5.1 percent in the first quarter of the fiscal year.
- Cigarette taxes are up 108.3 percent in September and have grown 103.1 percent for the first three months of the fiscal year. The increase coincides with the July 1 increase in the cigarette tax from $0.60 per pack to $1.10 per HB 487. The increase was boosted by the one-time collection of increased taxes on cigarettes in wholesaler inventories. While tax collections are up, it appears that consumption is down.
- Property taxes grew 35.9 percent in September but are down 9.5 percent for the year.
- Coal severance tax receipts fell 17.8 percent for the month. Year-to-date collections are down 21.1 percent.
- Lottery revenues increased 2.6 percent in September and are up 2.7 percent for the year.

Road Fund receipts grew 0.4 percent in September with collections of $126.3 million. Year-to-date collections have grown 3.8 percent compared to last year’s total. The increase in quarterly collections is the strongest since the third quarter of FY17. The official Road Fund revenue estimate calls for a 0.3 percent decrease in receipts for the entire fiscal year (FY19). Based on year-to-date collections, revenues can fall 1.7 percent for the remainder of the fiscal year to meet the estimate.

Among the Road Fund accounts:

- Motor fuels receipts rose 2.0 percent in September and have grown 1.2 percent for the year.
- Motor vehicle usage collections rose 7.1 percent for the month. Year-to-date collections are up 4.9 percent.
- License and privilege taxes fell 32.4 in September. For the first three months of the fiscal year, receipts are up 5.9 percent.
- Nontax receipts increased $600,000 in September and have grown 63.7 percent for the year.
<table>
<thead>
<tr>
<th></th>
<th>SEPTEMBER 2018</th>
<th>SEPTEMBER 2017</th>
<th>% Change</th>
<th>JULY THROUGH SEPTEMBER FY 2018</th>
<th>FY 2018</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL GENERAL FUND</strong></td>
<td>$1,077,336,105</td>
<td>$1,032,399,868</td>
<td>4.4%</td>
<td>$2,667,429,897</td>
<td>$2,553,562,721</td>
<td>4.5%</td>
</tr>
<tr>
<td><strong>Tax Receipts</strong></td>
<td>$1,050,231,481</td>
<td>$1,012,102,209</td>
<td>3.8%</td>
<td>$2,588,126,004</td>
<td>$2,480,757,948</td>
<td>4.3%</td>
</tr>
<tr>
<td><strong>Sales and Gross Receipts</strong></td>
<td>$406,605,321</td>
<td>$374,150,299</td>
<td>8.7%</td>
<td>$1,179,620,855</td>
<td>$1,055,029,875</td>
<td>11.8%</td>
</tr>
</tbody>
</table>

### Beer Consumption
- September 2018: 614,150
- September 2017: 543,231
- % Change: -12.9%

### Beer Wholesale
- September 2018: 5,681,680
- September 2017: 6,024,821
- % Change: -5.6%

### Cigarette
- September 2018: 32,298,512
- September 2017: 17,429,842
- % Change: 85.3%

### Distilled Spirits Case Sales
- September 2018: 7,491
- September 2017: 12,820
- % Change: -41.6%

### Distilled Spirits Consumption
- September 2018: 1,253,284
- September 2017: 1,181,908
- % Change: 6.0%

### Distilled Spirits Wholesale
- September 2018: 3,809,527
- September 2017: 4,080,833
- % Change: -7.0%

### Cigarette
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- September 2017: 643,231
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### License and Privilege
- September 2018: $182,900
- September 2017: $12,784
- % Change: 1330.7%

### Natural Resources
- September 2018: $10,062,791
- September 2017: $11,227,789
- % Change: -10.4%

### Income
- September 2018: $609,048,236
- September 2017: $607,721,732
- % Change: 0.2%

### Property
- September 2018: $18,557,126
- September 2017: $13,657,720
- % Change: 35.9%

### Inheritance Tax
- September 2018: $3,628,453
- September 2017: $3,350,552
- % Change: 8.3%

### Miscellaneous
- September 2018: $2,146,623
- September 2017: $1,881,334
- % Change: 12.6%

### Nontax Receipts
- September 2018: $26,739,866
- September 2017: $19,994,634
- % Change: 33.7%

### Redeposit of State Funds
- September 2018: $384,788
- September 2017: $313,025
- % Change: 22.9%
## 2. ROAD FUND REVENUE

<table>
<thead>
<tr>
<th></th>
<th>SEPTEMBER 2018</th>
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<th>% Change</th>
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<th>% Change</th>
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<tbody>
<tr>
<td>TOTAL STATE ROAD FUND</td>
<td>$126,273,601</td>
<td>$125,733,627</td>
<td>0.4%</td>
<td>$397,284,793</td>
<td>$382,626,355</td>
<td>3.8%</td>
</tr>
<tr>
<td>Tax Receipts-</td>
<td>124,641,792</td>
<td>124,638,448</td>
<td>0.0%</td>
<td>389,353,673</td>
<td>377,668,339</td>
<td>3.1%</td>
</tr>
<tr>
<td>Sales and Gross Receipts</td>
<td>$115,695,748</td>
<td>$111,407,421</td>
<td>3.8%</td>
<td>$334,302,285</td>
<td>$325,673,733</td>
<td>2.6%</td>
</tr>
<tr>
<td></td>
<td>Motor Fuels Taxes</td>
<td>72,942,651</td>
<td>71,494,634</td>
<td>2.0%</td>
<td>201,176,590</td>
<td>198,766,262</td>
</tr>
<tr>
<td></td>
<td>Motor Vehicle Usage</td>
<td>42,753,097</td>
<td>39,912,787</td>
<td>7.1%</td>
<td>133,125,695</td>
<td>126,907,471</td>
</tr>
<tr>
<td>License and Privilege</td>
<td>$8,946,043</td>
<td>$13,231,027</td>
<td>-32.4%</td>
<td>$55,051,388</td>
<td>$51,994,606</td>
<td>5.9%</td>
</tr>
<tr>
<td></td>
<td>Motor Vehicles</td>
<td>6,087,022</td>
<td>6,913,512</td>
<td>-12.0%</td>
<td>23,726,370</td>
<td>20,959,918</td>
</tr>
<tr>
<td></td>
<td>Motor Vehicle Operators</td>
<td>1,500,292</td>
<td>1,468,046</td>
<td>2.2%</td>
<td>4,324,18/</td>
<td>4,304,703</td>
</tr>
<tr>
<td></td>
<td>Weight Distance</td>
<td>545,259</td>
<td>338,414</td>
<td>61.1%</td>
<td>21,226,226</td>
<td>20,818,053</td>
</tr>
<tr>
<td></td>
<td>Truck Decal Fees</td>
<td>4,440</td>
<td>3,930</td>
<td>13.0%</td>
<td>16,739</td>
<td>16,593</td>
</tr>
<tr>
<td></td>
<td>Other Special Fees</td>
<td>809,030</td>
<td>4,507,125</td>
<td>-82.0%</td>
<td>5,754,867</td>
<td>5,895,339</td>
</tr>
<tr>
<td>Nontax Receipts</td>
<td>$1,596,182</td>
<td>$998,051</td>
<td>59.9%</td>
<td>$7,659,452</td>
<td>$4,679,216</td>
<td>63.7%</td>
</tr>
<tr>
<td></td>
<td>Departmental Fees</td>
<td>987,502</td>
<td>840,556</td>
<td>17.5%</td>
<td>4,802,627</td>
<td>3,510,180</td>
</tr>
<tr>
<td></td>
<td>In Lieu of Traffic Fines</td>
<td>26,310</td>
<td>26,290</td>
<td>0.1%</td>
<td>92,633</td>
<td>87,850</td>
</tr>
<tr>
<td></td>
<td>Income on Investments</td>
<td>168,162</td>
<td>35,906</td>
<td>368.3%</td>
<td>1,907,089</td>
<td>911,660</td>
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<tr>
<td></td>
<td>Miscellaneous</td>
<td>414,208</td>
<td>95,299</td>
<td>334.6%</td>
<td>857,103</td>
<td>169,526</td>
</tr>
<tr>
<td>Redeposit of State Funds</td>
<td>$35,627</td>
<td>$97,128</td>
<td>-63.3%</td>
<td>$271,667</td>
<td>$278,799</td>
<td>-2.6%</td>
</tr>
</tbody>
</table>

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