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**GENERAL FUND AND ROAD FUND RECEIPTS**  
**FOR NOVEMBER 2018**  
*General Fund receipts rose 7.1 Percent*  
*Road Fund receipts rose 7.4 Percent*

**FRANKFORT, Ky. (Monday, December 10, 2018)** - State Budget Director John Chilton reported today that General Fund receipts rose 7.1 percent in November with revenues of \$972.6 million. November's receipts compare favorably to the \$907.8 million collected in November 2017. Through the five months of the fiscal year (FY19), the General Fund has grown 4.8 percent.

The official General Fund revenue estimate for FY19 calls for revenue to grow 3.3 percent compared to FY18 actual receipts. Based on November's results, General Fund revenues must increase 2.3 percent for the remainder of the fiscal year to meet the official estimate.

Chilton reiterated that November General Fund collections continue to follow the pattern predicted by the tax reform of 2018 but at a slightly more robust pace. "Sales and gross receipts taxes grew by 17.3 percent in November, the largest such increase since August, 2018. The gains in these consumption taxes were primarily attributable to a 104.1 percent increase in cigarette taxes and a 13.3 percent spike in the sales and use tax. The gains in the cigarette tax are particularly surprising since the tax rate increase in HB 487 from 60 cents per pack to \$1.10 per pack, a 83.3 percent increase in rate. So far, the increase in rate has not seemed to meaningfully decrease the consumption of cigarettes. Meanwhile, the income taxes have fallen predictably due to the rate reductions in the

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2018 tax legislation. November receipts were no exception, showing a 0.5 percent decline in combined income-based taxation. Taken in the aggregate, November's General Fund increase of 7.1 percent provides a slight buffer against an anticipated slowdown in receipts in the upcoming fiscal quarters."

Among the major General Fund accounts:

- Individual income taxes fell 1.0 percent in November as a 0.8 percent increase in withholding was overtaken by losses in net returns and estimated tax payments. Year-to-date collections are down 0.8 percent. Earlier this year, the top corporate and individual income tax rates were decreased from 6.0 percent to 5.0 percent. Thus, a larger decrease in income tax revenue would result, were it not for increased employment earnings.
- Sales tax revenues grew 13.3 percent in November, partially attributable to the October 1<sup>st</sup> implementation of sales tax collections on internet sales made possible by the U.S. Supreme Court's Wayfair decision. Sales tax collections have increased 8.2 percent in the first five months of the year, roughly congruous with the projections for FY19.
- Corporation income tax receipts increased \$6.0 million in November and have now increased 2.0 percent so far in FY19.
- Cigarette taxes are up 104.1 percent for the month and have grown 73.3 percent for the first five months of the fiscal year. The increase coincides with the July 1 83.3 percent increase in the cigarette tax from \$0.60 per pack to \$1.10 per HB 487.
- Property taxes grew 1.3 percent in November and are up 2.2 percent for the year.
- Coal severance tax receipts fell 5.9 percent for the month. Year-to-date collections are down 16.2 percent.
- Lottery revenues increased 17.4 percent in November and are up 5.9 percent for the year.

Road Fund receipts grew 7.4 percent in November with collections of \$133.2 million. Year-to-date collections have grown 4.5 percent compared to last year's total. Despite declines in Road Fund revenue in FY15 and FY16, followed by anemic growth in FY17 and FY18, receipts have now risen in seven of the past nine months. 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 3.7 percent for the remainder of the fiscal year to meet that estimate.

Among the Road Fund accounts:

- Motor fuels receipts climbed 7.3 percent in November and 1.9 percent for the year.
- Motor vehicle usage collections rose 3.1 percent for the month. Year-to-date collections are up 5.6 percent.
- License and privilege taxes built on a strong October by posting a 14.4 percent increase in the month of November. For the first four months of the fiscal year, receipts are up 8.0 percent.
- Nontax receipts fell 19.0 percent in November but have grown 28.7 percent for the year.

**KENTUCKY STATE GOVERNMENT REVENUE**  
**1. GENERAL FUND REVENUE**

	<u>NOVEMBER</u> <u>2018</u>	<u>NOVEMBER</u> <u>2017</u>	<u>% Change</u>	<u>JULY THROUGH NOVEMBER</u> <u>FY 2019</u>	<u>FY 2018</u>	<u>% Change</u>
<b>TOTAL GENERAL FUND</b>	<b>\$972,569,146</b>	<b>\$907,841,379</b>	<b>7.1%</b>	<b>\$4,465,996,872</b>	<b>\$4,259,848,748</b>	<b>4.8%</b>
<b>Tax Receipts</b>	<b>\$915,762,395</b>	<b>\$859,286,495</b>	<b>6.6%</b>	<b>\$4,292,293,847</b>	<b>\$4,103,767,770</b>	<b>4.6%</b>
Sales and Gross Receipts	\$390,774,108	\$333,177,806	17.3%	\$1,945,404,313	\$1,734,084,110	12.2%
Beer Consumption	408,155	505,969	-19.3%	2,613,312	2,788,509	-6.3%
Beer Wholesale	4,589,835	4,599,893	-0.2%	25,401,850	26,596,542	-4.5%
Cigarette	33,912,434	16,619,205	104.1%	152,127,108	87,760,330	73.3%
Distilled Spirits Case Sales	15,466	13,682	13.0%	56,024	64,126	-12.6%
Distilled Spirits Consumption	1,375,989	1,234,030	11.5%	6,143,737	5,915,880	3.9%
Distilled Spirits Wholesale	4,831,523	4,116,109	17.4%	20,114,152	18,544,483	8.5%
Insurance Premium	5,000	(36,002)	---	47,973,858	45,253,568	6.0%
Pari-Mutuel	1,112,000	466,666	138.3%	3,383,828	2,148,324	57.5%
Race Track Admission	7,645	0	---	95,505	108,930	-12.3%
Sales and Use	336,159,243	296,727,915	13.3%	1,624,809,312	1,501,165,595	8.2%
Wine Consumption	284,590	263,439	8.0%	1,286,071	1,241,708	3.6%
Wine Wholesale	1,687,478	1,493,814	13.0%	6,943,140	6,824,272	1.7%
Telecommunications Tax	4,542,084	5,243,523	-13.4%	23,614,295	26,261,839	-10.1%
Other Tobacco Products	1,854,721	1,929,565	-3.9%	9,671,593	9,410,985	2.8%
Floor Stock Tax	(12,057)	0	---	21,170,529	(982)	---
License and Privilege	(\$279,516)	\$94,667	-395.3%	(\$470,180)	\$260,604	-280.4%
Alc. Bev. License Suspension	1,000	28,833	-96.5%	142,007	220,283	-35.5%
Corporation License	1,547	(16,398)	---	46,203	(2,339)	---
Corporation Organization	98,234	905	---	107,040	16,830	536.0%
Occupational Licenses	10,543	9,902	6.5%	52,246	58,884	-11.3%
Race Track License	27,500	0	---	123,375	128,450	-4.0%
Bank Franchise Tax	(482,163)	13,938	-3559.2%	(1,236,779)	(456,551)	---
Driver License Fees	63,823	57,486	11.0%	295,728	295,046	0.2%
Natural Resources	\$9,805,047	\$9,777,076	0.3%	\$49,123,119	\$54,228,016	-9.4%
Coal Severance	6,413,584	6,818,675	-5.9%	33,366,766	39,840,168	-16.2%
Oil Production	603,597	424,534	42.2%	2,884,225	1,966,057	46.7%
Minerals Severance	1,897,395	1,753,670	8.2%	8,985,311	9,104,973	-1.3%
Natural Gas Severance	890,472	780,198	14.1%	3,886,818	3,316,818	17.2%
Income	\$329,454,562	\$331,193,489	-0.5%	\$2,018,122,622	\$2,035,795,389	-0.9%
Corporation	9,440,654	3,419,800	176.1%	171,398,648	168,008,210	2.0%
Individual	318,285,776	321,339,513	-1.0%	1,785,558,453	1,799,461,377	-0.8%
Limited Liability Entity	1,728,133	6,434,175	-73.1%	61,165,521	68,325,803	-10.5%
Property	\$180,654,921	\$178,310,632	1.3%	\$250,827,002	\$245,340,254	2.2%
Building & Loan Association	0	0	---	257,579	9,883	---
General - Real	117,857,711	122,103,097	-3.5%	120,562,469	123,535,945	-2.4%
General - Tangible	57,671,128	51,691,635	11.6%	101,932,556	94,934,119	7.4%
Omitted & Delinquent	3,807,021	2,514,816	51.4%	6,754,981	6,445,657	4.8%
Public Service	708,313	1,413,829	-49.9%	20,411,741	19,821,701	3.0%
Other	610,748	587,256	4.0%	907,675	592,948	53.1%
Inheritance Tax	\$3,182,557	\$4,766,520	-33.2%	\$21,178,385	\$24,232,566	-12.6%
Miscellaneous	\$2,170,715	\$1,966,305	10.4%	\$8,108,586	\$9,826,830	-17.5%
Legal Process	1,229,156	1,102,444	11.5%	5,444,452	5,388,441	1.0%
T. V. A. In Lieu Payments	941,559	877,300	7.3%	2,660,339	4,434,509	-40.0%
Other	0	(13,439)	---	3,795	3,880	-2.2%
<b>Nontax Receipts</b>	<b>\$55,544,669</b>	<b>\$46,992,167</b>	<b>18.2%</b>	<b>\$171,552,482</b>	<b>\$154,318,426</b>	<b>11.2%</b>
Departmental Fees	1,070,474	1,516,050	-29.4%	5,555,203	5,756,636	-3.5%
PSC Assessment Fee	209	6,622	-96.8%	15,941,484	15,824,001	0.7%
Fines & Forfeitures	1,478,098	1,471,974	0.4%	9,208,646	7,387,900	24.6%
Income on Investments	(1,939,875)	(862,095)	---	(4,765,440)	(2,686,089)	---
Lottery	24,646,017	21,000,000	17.4%	101,646,017	96,000,000	5.9%
Miscellaneous	30,289,745	23,859,616	26.9%	43,966,572	32,035,978	37.2%
Redeposit of State Funds	\$1,262,082	\$1,562,717	-19.2%	\$2,150,543	\$1,762,552	22.0%

**2. ROAD FUND REVENUE**

	<b><u>NOVEMBER</u></b> <b><u>2018</u></b>	<b><u>NOVEMBER</u></b> <b><u>2017</u></b>	<b><u>% Change</u></b>	<b><u>JULY THROUGH NOVEMBER</u></b>		<b><u>% Change</u></b>
				<b><u>FY 2019</u></b>	<b><u>FY 2018</u></b>	
<b>TOTAL STATE ROAD FUND</b>	<b>\$133,208,415</b>	<b>\$124,050,054</b>	<b>7.4%</b>	<b>\$654,207,493</b>	<b>\$626,318,702</b>	<b>4.5%</b>
Tax Receipts-	131,011,503	122,084,676	7.3%	\$641,429,490	\$616,715,831	4.0%
Sales and Gross Receipts	\$106,332,439	\$100,515,162	5.8%	\$546,551,457	\$528,846,748	3.3%
Motor Fuels Taxes	68,996,516	64,304,837	7.3%	329,703,945	323,540,965	1.9%
Motor Vehicle Usage	37,335,923	36,210,325	3.1%	216,847,512	205,305,783	5.6%
License and Privilege	\$24,679,064	\$21,569,514	14.4%	\$94,878,033	\$87,869,083	8.0%
Motor Vehicles	6,952,459	5,937,600	17.1%	38,403,794	33,863,480	13.4%
Motor Vehicle Operators	1,511,904	1,454,756	3.9%	7,075,034	7,114,891	-0.6%
Weight Distance	15,494,876	13,507,104	14.7%	41,788,542	40,220,162	3.9%
Truck Decal Fees	2,640	2,700	-2.2%	24,629	21,303	15.6%
Other Special Fees	717,185	667,354	7.5%	7,586,034	6,649,246	14.1%
Nontax Receipts	\$1,684,671	\$2,079,116	-19.0%	\$11,730,385	\$9,113,640	28.7%
Departmental Fees	910,613	1,863,300	-51.1%	7,532,472	7,518,261	0.2%
In Lieu of Traffic Fines	31,245	22,131	41.2%	155,818	143,936	8.3%
Income on Investments	608,814	(73,551)	---	2,861,010	911,075	---
Miscellaneous	133,998	267,235	-49.9%	1,181,085	540,368	118.6%
Redeposit of State Funds	\$512,242	(\$113,737)	---	\$1,047,617	\$489,231	114.1%

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