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**GENERAL FUND AND ROAD FUND RECEIPTS**  
**FOR MARCH 2019**

***General Fund receipts rose 10.7 Percent***  
***Road Fund receipts fell 11.7 Percent***

**FRANKFORT, Ky. (Wednesday, April 10, 2019)** - State Budget Director John Chilton reported today that General Fund receipts climbed 10.7 percent in March with revenues of \$820.1 million. March's receipts compare favorably to the \$740.6 million collected in March 2018. Through the first nine months of FY19, the General Fund has grown 3.9 percent.

The official General Fund revenue estimate for FY19 calls for revenue to grow 3.3 percent compared to FY18 actual receipts. After March's results are considered, General Fund revenues must increase 1.7 percent for the remainder of the fiscal year to meet the official estimate.

Chilton noted that the growth in March receipts came from unlikely sources, namely the income-based taxes. "The pattern for FY19 has been healthy growth in the sales tax and cigarette taxes due to the passage of HB 487 in 2018. March saw strength in both of those revenue sources as the sales tax grew 6.2 percent and cigarette taxes grew 39.6 percent."

"Prior to February, however, the individual income tax had fallen consistently due to the rate reduction in HB 487. Both February and March demonstrated growth in the individual income tax – primarily in the category of net refunds. Refunds were down \$36.6 million in February and another \$25.3 million in March. One possible reason for this behavior is simply timing; income tax filers seem to have delayed filing returns this year and everything will catch up when all of the returns get processed.

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Another explanation is that 2018 HB 487 broadened the individual income tax base by removing many deductions that were available on returns filed in last year. The result is lower refunds and more pay returns. While volatility is typical during the refund season, the tax law changes have magnified these differences and led to more uncertainty in collections during this transition year.”

Among the major General Fund accounts:

- Individual income taxes grew 12.1 percent in March. Year-to-date collections are down 2.3 percent. In 2018, the top corporate and individual income tax rates were decreased from 6.0 percent to 5.0 percent.
- Corporation income tax receipts and the limited liability entity tax (LLET) grew 37.6 percent but have fallen 2.7 percent thus far in FY19.
- Sales tax revenues grew 6.2 percent in March following a very strong holiday season of growth. Sales tax collections have increased 8.4 percent through the first nine months of FY19, right on par with the official projections. In 2018, the sales tax was expanded to include many services that were not previously subject to tax.
- Cigarette taxes were up 39.6 percent for the month and have grown 67.6 percent for the first nine months of the fiscal year. The revenue increase combines the 83.3 percent increase in the cigarette tax from \$0.60 per pack to \$1.10 per HB 487 with slightly lower consumption.
- Property taxes grew 7.5 percent in March and are up 4.0 percent for the year.
- Coal severance tax receipts grew 48.5 percent in March. Year-to-date collections are down 4.3 percent.
- Lottery revenues exceeded last year’s dividend payment by \$1.5 million in March and are up 4.3 percent for the fiscal year.

Road Fund receipts fell 11.7 percent in March with collections of \$120.1 million. Year-to-date collections have grown 2.9 percent compared to last year’s total. The official Road Fund revenue estimate calls for a 0.3 percent decrease in receipts for the entire FY19. Based on year-to-date collections, revenues can fall 9.0 percent for the remainder of the fiscal year to meet that estimate.

Among the Road Fund accounts:

- Motor fuels receipts plummeted 15.5 percent in March due to an unusually large collections in March 2018. (Last month showed abnormally large growth in motor fuels due to the same base problem with 2018.)
- Motor vehicle usage collections also dropped 8.5 percent for the month due to falling auto sales. Year-to-date collections are still up 3.2 percent.
- License and privilege taxes fell 9.3 percent in March. Year-to-date growth is a healthy 4.3 percent.
- Nontax receipts climbed sharply in March and have grown 35.1 percent for the year.

KENTUCKY STATE GOVERNMENT REVENUE  
1. GENERAL FUND REVENUE

	<u>MARCH</u> <u>2019</u>	<u>MARCH</u> <u>2018</u>	<u>% Change</u>	<u>JULY THROUGH MARCH</u> <u>FY 2019</u>	<u>JULY THROUGH MARCH</u> <u>FY 2018</u>	<u>% Change</u>
<b>TOTAL GENERAL FUND</b>	<b>\$820,076,440</b>	<b>\$740,630,807</b>	<b>10.7%</b>	<b>\$8,201,199,038</b>	<b>\$7,890,359,031</b>	<b>3.9%</b>
<b>Tax Receipts</b>	<b>\$794,152,645</b>	<b>\$719,374,660</b>	<b>10.4%</b>	<b>\$7,929,426,090</b>	<b>\$7,638,705,700</b>	<b>3.8%</b>
Sales and Gross Receipts	\$358,231,306	\$336,054,342	6.6%	\$3,461,818,897	\$3,104,826,594	11.5%
Beer Consumption	436,830	488,203	-10.5%	4,372,074	4,510,905	-3.1%
Beer Wholesale	3,717,617	4,457,713	-16.6%	42,376,185	43,589,464	-2.8%
Cigarette	26,362,608	18,882,646	39.6%	260,725,641	155,576,176	67.6%
Distilled Spirits Case Sales	11,094	10,533	5.3%	120,852	114,796	5.3%
Distilled Spirits Consumption	1,009,197	962,886	4.8%	10,929,370	10,521,492	3.9%
Distilled Spirits Wholesale	3,220,740	2,975,221	8.3%	36,107,867	33,383,320	8.2%
Insurance Premium	29,829,988	31,219,544	-4.5%	110,597,693	106,530,607	3.8%
Pari-Mutuel	1,629,719	950,663	71.4%	9,321,728	5,054,805	84.4%
Race Track Admission	0	0	---	153,276	159,457	-3.9%
Sales and Use	284,412,927	267,691,911	6.2%	2,891,652,946	2,667,554,744	8.4%
Wine Consumption	234,230	218,063	7.4%	2,386,194	2,345,972	1.7%
Wine Wholesale	1,238,983	1,253,737	-1.2%	13,067,179	13,010,806	0.4%
Telecommunications Tax	4,493,986	5,004,070	-10.2%	42,162,408	46,231,604	-8.8%
Other Tobacco Products	1,612,144	1,939,150	-16.9%	16,585,706	16,243,120	2.1%
Floor Stock Tax	21,242	0	---	21,259,778	(673)	---
License and Privilege	\$105,849,205	\$99,140,852	6.8%	\$118,544,545	\$115,224,334	2.9%
Alc. Bev. License Suspension	13,500	52,833	-74.4%	238,757	389,367	-38.7%
Corporation License	477	(2,650)	---	61,256	3,431	1685.4%
Corporation Organization	204,047	3,576	5606.8%	311,087	48,121	546.5%
Occupational Licenses	17,479	25,456	-31.3%	89,701	112,408	-20.2%
Race Track License	0	0	---	218,375	232,200	-6.0%
Bank Franchise Tax	105,558,847	99,006,021	6.6%	117,116,261	113,934,428	2.8%
Driver License Fees	54,854	55,615	-1.4%	509,110	504,380	0.9%
Natural Resources	\$12,251,970	\$8,963,293	36.7%	\$92,516,406	\$93,351,024	-0.9%
Coal Severance	9,427,169	6,349,213	48.5%	65,912,996	68,896,013	-4.3%
Oil Production	337,020	521,344	-35.4%	4,445,442	3,713,846	19.7%
Minerals Severance	901,150	998,347	-9.7%	14,222,319	13,860,802	2.6%
Natural Gas Severance	1,586,631	1,094,389	45.0%	7,935,649	6,880,364	15.3%
Income	\$283,487,040	\$241,757,207	17.3%	\$3,631,413,323	\$3,718,049,256	-2.3%
Corporation	37,368,550	34,020,542	9.8%	308,502,040	313,153,477	-1.5%
Individual	216,558,801	193,127,987	12.1%	3,189,536,080	3,263,822,562	-2.3%
Limited Liability Entity	29,559,689	14,608,678	102.3%	133,375,204	141,073,217	-5.5%
Property	\$28,110,076	\$26,143,113	7.5%	\$574,311,891	\$552,145,104	4.0%
Building & Loan Association	0	0	---	256,328	31,401	716.3%
General - Real	3,552,158	2,792,787	27.2%	287,948,315	277,940,069	3.6%
General - Tangible	19,152,700	16,893,977	13.4%	204,213,050	204,411,457	-0.1%
Omitted & Delinquent	3,756,454	3,040,144	23.6%	18,006,028	14,452,627	24.6%
Public Service	1,350,205	3,198,483	-57.8%	61,888,579	53,548,968	15.6%
Other	298,560	217,722	37.1%	1,999,590	1,760,581	13.6%
Inheritance Tax	\$4,165,607	\$4,984,822	-16.4%	\$34,721,117	\$37,382,548	-7.1%
Miscellaneous	\$2,057,441	\$2,331,032	-11.7%	\$16,099,911	\$17,726,841	-9.2%
Legal Process	1,115,882	1,453,732	-23.2%	9,663,602	9,769,283	-1.1%
T. V. A. In Lieu Payments	941,559	877,300	7.3%	6,426,574	7,943,710	-19.1%
Other	0	0	#DIV/0!	9,735	13,848	-29.7%
<b>Nontax Receipts</b>	<b>\$24,389,460</b>	<b>\$21,074,101</b>	<b>15.7%</b>	<b>\$262,901,159</b>	<b>\$247,177,552</b>	<b>6.4%</b>
Departmental Fees	1,846,167	2,666,402	-30.8%	10,254,607	14,886,784	-31.1%
PSC Assessment Fee	238	13,672	-98.3%	16,142,107	15,840,021	1.9%
Fines & Forfeitures	1,691,762	1,833,085	-7.7%	14,845,962	13,125,799	13.1%
Income on Investments	(1,008,670)	(1,046,438)	---	(9,230,814)	(5,448,062)	---
Lottery	21,500,000	20,000,000	7.5%	183,646,017	176,000,000	4.3%
Miscellaneous	359,963	(2,392,620)	---	47,243,281	32,773,010	44.2%
Redeposit of State Funds	\$1,534,335	\$182,045	742.8%	\$8,871,788	\$4,475,779	98.2%

**2. ROAD FUND REVENUE**

	<u>MARCH</u>	<u>MARCH</u>	<u>% Change</u>	<u>JULY THROUGH MARCH</u>		<u>% Change</u>
	<u>2019</u>	<u>2018</u>		<u>FY 2019</u>	<u>FY 2018</u>	
<b>TOTAL STATE ROAD FUND</b>	<b>\$120,078,988</b>	<b>\$135,965,549</b>	<b>-11.7%</b>	<b>\$1,141,313,640</b>	<b>\$1,109,647,556</b>	<b>2.9%</b>
Tax Receipts-	\$117,147,718	\$133,632,223	-12.3%	\$1,116,627,452	\$1,091,862,476	2.3%
Sales and Gross Receipts	\$100,824,526	\$115,643,735	-12.8%	\$951,661,939	\$933,686,480	1.9%
Motor Fuels Taxes	60,000,011	71,012,065	-15.5%	575,308,792	569,070,645	1.1%
Motor Vehicle Usage	40,824,515	44,631,670	-8.5%	376,353,146	364,615,835	3.2%
License and Privilege	\$16,323,192	\$17,988,487	-9.3%	\$164,965,513	\$158,175,996	4.3%
Motor Vehicles	13,354,844	14,553,687	-8.2%	77,869,191	73,476,185	6.0%
Motor Vehicle Operators	1,382,239	1,453,626	-4.9%	12,373,464	12,375,584	0.0%
Weight Distance	587,394	778,078	-24.5%	63,249,363	61,673,568	2.6%
Truck Decal Fees	10,502	24,140	-56.5%	44,836	52,412	-14.5%
Other Special Fees	988,214	1,178,957	-16.2%	11,428,659	10,598,247	7.8%
Nontax Receipts	\$2,995,410	\$2,408,134	24.4%	\$23,166,016	\$17,151,619	35.1%
Departmental Fees	1,150,638	1,690,150	-31.9%	13,402,395	13,770,967	-2.7%
In Lieu of Traffic Fines	31,245	35,510	-12.0%	315,209	261,496	20.5%
Income on Investments	1,308,377	488,099	168.1%	6,634,017	1,624,142	308.5%
Miscellaneous	505,150	194,375	159.9%	2,814,395	1,495,013	88.3%
Redeposit of State Funds	(\$64,140)	(\$74,809)	---	\$1,520,171	\$633,461	140.0%

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