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GENERAL FUND AND ROAD FUND RECEIPTS
FOR AUGUST 2019

General Fund receipts increased 3.6 percent
Road Fund receipts decreased 0.7 percent

FRANKFORT, Ky. (Tuesday, September 10, 2019) - State Budget Director John Chilton reported today that General Fund receipts increased 3.6 percent in August compared to last year. Total revenues for the month were \$787.2 million, compared to \$759.9 million during August 2018. For the first two months of this fiscal year (FY20), General Fund receipts have increased 2.7 percent.

Chilton noted that the rate of growth of General Fund receipts has moderated from FY19 levels. "We saw rapid growth in General Fund receipts last fiscal year. Some of the increase was due to a solid economy but the tax package passed by the General Assembly in the 2018 Legislative Session also played a large role in the rise in collections. In the current fiscal year, the effects of the 2018 tax law changes have mostly worked their way through the system, so we expect to see lower growth in accounts such as the cigarette taxes. On the other hand, collections from the income taxes should begin to stabilize and grow. Growth in the individual income tax, for example, is starting to rebound now that the rate reduction has had a full year to work into the historical data. All of these developments will be incorporated into the deliberations this fall as the Consensus Forecasting Group develops the official budget estimates for the 2020-2022 biennium."

The official revenue estimate for FY20 calls for revenue to increase 0.6 percent compared to FY19 actual receipts. Based on August results, General Fund revenues need to grow 0.3 percent for the remaining ten months of the fiscal year to meet the official estimate.

Among the major accounts:

- Individual income taxes rose 6.4 percent on the strength of withholding collections which were up 6.3 percent.
- Sales tax revenues grew 6.4 percent in August and are up 8.6 percent through the first two months of the fiscal year.
- Corporation income tax collections were negative for the month as the additional tax due with filed returns were \$8.4 million below prior year levels. Year-to-date receipts in this account have decreased 35.1 percent.
- Cigarette taxes fell 0.4 percent for the month.
- Property taxes declined 12.2 percent in August and have fallen 16.3 percent for the fiscal year. Large swings in receipts are not unusual early in a fiscal year for this account since significant receipts from property taxes do not occur until later in the year.
- Coal severance tax collections in August fell 25.4 percent to \$5.8 million and are down 15.6 percent through the first two months of the fiscal year.
- Lottery revenues grew 2.6 percent in August and have increased 4.1 percent through the first two months of FY20.

Road Fund revenue fell 0.7 percent in August with revenues of \$142.3 million and have decreased 0.2 percent for the first two months of the fiscal year. Motor vehicle usage tax collections rose 0.8 percent while motor fuels revenues increased 4.0. The official Road Fund revenue estimate calls for a 3.6 percent decrease in receipts for the FY20. Based on year-to-date collections, revenues can decline 4.3 percent for the remainder of the fiscal year to meet the estimate.

Among the accounts:

- Motor fuels rose 4.0 percent in August and have increased 0.8 percent for the year.
- Motor vehicle usage collections grew 0.8 percent for the month and have grown 5.5 percent for the first two months of the fiscal year.
- License and privilege tax fell 16.9 percent.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>AUGUST</u> <u>2019</u>	<u>AUGUST</u> <u>2018</u>	<u>% Change</u>	<u>JULY THROUGH AUGUST</u> <u>FY 2020</u>	<u>FY 2019</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$787,156,094	\$759,857,042	3.6%	\$1,632,818,755	\$1,590,093,791	2.7%
Tax Receipts	\$764,363,453	\$740,607,529	3.2%	\$1,577,873,850	\$1,537,894,554	2.6%
Sales and Gross Receipts	\$399,472,631	\$381,476,752	4.7%	\$818,401,772	\$773,015,334	5.9%
Beer Consumption	556,305	554,093	0.4%	1,223,023	1,131,492	8.1%
Beer Wholesale	6,122,267	5,210,153	17.5%	12,464,437	10,604,496	17.5%
Cigarette	31,996,579	32,137,743	-0.4%	61,979,221	58,465,609	6.0%
Distilled Spirits Case Sales	13,604	11,117	22.4%	29,971	26,254	14.2%
Distilled Spirits Consumption	1,187,243	1,011,970	17.3%	2,662,459	2,411,088	10.4%
Distilled Spirits Wholesale	3,809,239	3,317,906	14.8%	8,656,089	7,796,255	11.0%
Insurance Premium	1,754,788	1,532,942	14.5%	1,757,085	1,590,864	10.4%
Pari-Mutuel	788,780	396,369	99.0%	2,133,204	1,068,961	99.6%
Race Track Admission	0	145	-100.0%	80,510	86,338	-6.8%
Sales and Use	345,422,917	324,742,902	6.4%	711,681,213	655,589,520	8.6%
Wine Consumption	206,889	222,411	-7.0%	486,079	476,437	2.0%
Wine Wholesale	1,270,682	1,251,685	1.5%	2,668,372	2,591,448	3.0%
Telecommunications Tax	4,333,958	4,922,902	-12.0%	8,815,844	9,942,655	-11.3%
Other Tobacco Products	1,994,456	2,131,461	-6.4%	3,745,632	4,079,557	-8.2%
Floor Stock Tax	14,923	4,032,955	-99.6%	18,633	17,154,360	-8.2%
License and Privilege	\$96,151	(\$713,953)	---	(\$77,581)	(\$524,632)	---
Alc. Bev. License Suspension	20,000	41,250	-51.5%	53,750	62,500	-14.0%
Corporation License	311	600	-48.1%	592	905	-34.6%
Corporation Organization	0	0	---	25,115	0	---
Occupational Licenses	18,753	6,645	182.2%	26,806	17,168	56.1%
Race Track License	0	0	---	95,000	95,000	0.0%
Bank Franchise Tax	10,332	(818,516)	---	(371,486)	(818,063)	---
Driver License Fees	46,756	56,068	-16.6%	92,642	117,858	-21.4%
Natural Resources	\$9,151,855	\$10,767,497	-15.0%	\$17,158,970	\$19,195,516	-10.6%
Coal Severance	5,796,142	7,765,577	-25.4%	10,925,988	12,950,504	-15.6%
Oil Production	585,336	589,181	-0.7%	1,045,621	1,125,521	-7.1%
Minerals Severance	2,246,269	1,579,579	42.2%	4,054,309	3,421,614	18.5%
Natural Gas Severance	524,109	833,161	-37.1%	1,133,053	1,697,877	-33.3%
Income	\$337,648,678	\$324,000,302	4.2%	\$709,072,233	\$701,678,103	1.1%
Corporation	(3,062,331)	3,442,809	---	16,619,573	25,597,578	-35.1%
Individual	338,591,932	318,162,864	6.4%	680,699,968	662,032,681	2.8%
Limited Liability Entity	2,119,077	2,394,629	-11.5%	11,752,692	14,047,845	-16.3%
Property	\$15,324,338	\$17,463,298	-12.2%	\$25,118,215	\$30,016,621	-16.3%
Building & Loan Association	24,759	0	---	46,771	257,579	-81.8%
General - Real	50,810	29,252	73.7%	57,130	43,292	32.0%
General - Tangible	11,842,678	11,277,738	5.0%	22,280,955	22,747,517	-2.1%
Omitted & Delinquent	2,301,837	2,887,774	-20.3%	490,868	1,465,545	-66.5%
Public Service	1,104,542	3,264,288	-66.2%	2,242,777	5,498,442	-59.2%
Other	(288)	4,247	---	(288)	4,247	---
Inheritance Tax	\$4,469,709	\$4,877,498	-8.4%	\$8,096,187	\$9,966,441	-18.8%
Miscellaneous	(\$1,799,909)	\$2,736,134	-165.8%	\$104,054	\$4,547,170	-97.7%
Legal Process	1,168,788	1,855,038	-37.0%	2,035,693	2,788,775	-27.0%
T. V. A. In Lieu Payments	(3,058,441)	877,300	---	(2,116,883)	1,754,601	---
Other	89,744	3,795	2264.8%	185,244	3,795	4781.3%
Nontax Receipts	\$22,489,684	\$19,191,138	17.2%	\$55,417,753	\$51,872,790	6.8%
Departmental Fees	769,586	863,558	-10.9%	2,146,992	1,576,444	36.2%
PSC Assessment Fee	200,619	559,010	-64.1%	13,011,407	14,439,850	-9.9%
Fines & Forfeitures	1,507,851	1,372,993	9.8%	2,897,292	2,831,983	2.3%
Income on Investments	(652,730)	(738,374)	---	(915,641)	(716,575)	---
Lottery	19,500,000	19,000,000	2.6%	38,500,000	37,000,000	4.1%
Miscellaneous	1,164,357	(1,866,050)	---	(222,297)	(3,258,913)	---
Redeposit of State Funds	\$302,957	\$58,376	419.0%	(\$472,849)	\$326,448	---

2. ROAD FUND REVENUE

	<u>AUGUST</u>	<u>AUGUST</u>	<u>% Change</u>	<u>JULY THROUGH AUGUST</u>		<u>% Change</u>
	<u>2019</u>	<u>2018</u>		<u>FY 2020</u>	<u>FY 2019</u>	
TOTAL STATE ROAD FUND	\$142,302,685	\$143,282,883	-0.7%	\$270,550,832	\$271,011,192	-0.2%
Tax Receipts	\$138,580,792	\$140,556,817	-1.4%	\$264,169,780	\$264,711,882	-0.2%
Sales and Gross Receipts	\$114,373,745	\$111,429,099	2.6%	\$224,634,598	\$218,606,537	2.8%
Motor Fuels Taxes	66,600,678	64,029,621	4.0%	129,271,671	128,233,939	0.8%
Motor Vehicle Usage	47,773,067	47,399,478	0.8%	95,362,927	90,372,598	5.5%
License and Privilege	\$24,207,046	\$29,127,717	-16.9%	\$39,535,182	\$46,105,345	-14.3%
Motor Vehicles	8,554,716	9,024,026	-5.2%	14,101,929	17,639,348	-20.1%
Motor Vehicle Operators	1,483,178	1,453,776	2.0%	2,771,473	2,826,894	-2.0%
Weight Distance	13,331,767	14,507,798	-8.1%	21,049,266	20,680,967	1.8%
Truck Decal Fees	5,010	4,080	22.8%	12,053	12,299	-2.0%
Other Special Fees	832,375	4,138,037	-79.9%	1,600,460	4,945,836	-67.6%
Nontax Receipts	\$3,534,101	\$2,568,107	37.6%	\$6,059,269	\$6,063,271	-0.1%
Departmental Fees	2,005,209	1,719,170	16.6%	3,987,914	3,815,125	4.5%
In Lieu of Traffic Fines	30,555	42,160	-27.5%	59,952	66,323	-9.6%
Income on Investments	1,178,327	659,018	78.8%	1,371,347	1,738,927	-21.1%
Miscellaneous	320,010	147,759	116.6%	640,055	442,896	44.5%
Redeposit of State Funds	\$187,792	\$157,960	18.9%	321,782	\$236,040	36.3%

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