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For Immediate Release
October 10, 2019

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GENERAL FUND AND ROAD FUND RECEIPTS
FOR SEPTEMBER 2019

General Fund receipts fell 1.2 percent
Road Fund receipts rose 3.8 percent

FRANKFORT, Ky. (Thursday, October 10, 2019) - State Budget Director John Chilton reported today that General Fund receipts fell 1.2 percent in September with revenues of \$1,064.5 million. This compares to \$1,077.3 million collected in September 2018. So far this fiscal year (FY20), General Fund receipts have grown 1.1 percent. September closes out the first quarter of the fiscal year and collections declined for the first time since the third quarter of FY17 when receipts fell 3.2 percent. For perspective, increases in collections have averaged 4.0 percent in the intervening nine quarters.

The official General Fund revenue estimate for FY20 calls for revenue to grow 0.6 percent compared to FY19 actual receipts. Based on September's results, General Fund revenues must increase 0.5 percent for the remainder of the fiscal year to meet the official estimate.

Chilton noted that a good month from the sales tax helped offset reductions in nearly every other major account. "After two months of growth to start FY20, General Fund receipts declined in September as most major accounts showed weakness. For calendar-year income tax filers, September is a month when estimated payments are due. These estimated payments fell for both individuals and corporations compared to September of 2018, leading to overall reductions in collections of both categories of income taxes. Sales and use tax receipts partially offset these reductions. In fact, the sales and use tax has declined only once since September 2017 and has increased steadily for the last 16 months, primarily attributable to the expansion of the tax base into selected services and admissions effective July 1, 2018. The state

Consensus Forecasting Group will deliberate on the latest economic and revenue data when it convenes later in October to issue preliminary revenue estimates that will be used for budget purposes in the upcoming biennium.”

Among the major accounts:

- Individual income taxes fell 0.1 percent in September as a gain in withholding nearly offset declines in net returns and declarations. Year-to-date collections in this account have grown 1.6 percent.
- Sales tax revenues grew 6.2 percent in September as the effects of legislation continue to be felt. Collections have increased 7.8 percent in the first three months of the year.
- Corporation income tax and LLET tax receipts fell 6.0 percent for the month and have declined 10.5 percent in the first quarter of the fiscal year. The impact of legislative action can also be seen in this account as the estimated impact for FY20 is a reduction of \$75 million in tax receipts.
- Cigarette taxes declined 10.6 percent in September but are still up 0.1 percent for the first three months of the fiscal year.
- Property taxes grew 0.8 percent in September but are down 9.8 percent for the year.
- Coal severance tax receipts fell 5.1 percent for the month. Year-to-date collections are down 11.9 percent.
- Lottery revenues rose 2.6 percent in September and are up 3.5 percent for the year.

Road Fund receipts grew 3.8 percent in September with collections of \$131.1 million. Year-to-date collections have grown 1.1 percent compared to last year’s total. The official Road Fund revenue estimate calls for a 3.6 percent decrease in receipts for the entire fiscal year (FY20). Based on year-to-date collections, revenues can fall 5.2 percent for the remainder of the fiscal year and still meet the estimate.

Among the accounts:

- Motor fuels receipts rose 0.8 percent in September and have grown 0.8 percent for the year.
- Motor vehicle usage collections rose 6.5 percent for the month. Year-to-date collections are up 5.9 percent. The usage tax is essentially a sales tax that applies commensurate with the purchase of new or used autos and trucks.
- License and privilege taxes grew 1.9 percent in September. For the first three months of the fiscal year, receipts have declined 11.6 percent.
- Nontax receipts increased \$700,000 in September and have grown 9.6 percent for the year.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>SEPTEMBER</u> <u>2019</u>	<u>SEPTEMBER</u> <u>2018</u>	<u>% Change</u>	<u>JULY THROUGH SEPTEMBER</u> <u>FY 2020</u>	<u>JULY THROUGH SEPTEMBER</u> <u>FY 2019</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$1,064,518,241	\$1,077,336,105	-1.2%	\$2,697,336,996	\$2,667,429,897	1.1%
Tax Receipts	\$1,041,211,340	\$1,050,231,451	-0.9%	\$2,619,085,190	\$2,588,126,004	1.2%
Sales and Gross Receipts	\$409,427,994	\$406,605,321	0.7%	\$1,227,829,767	\$1,179,620,655	4.1%
Beer Consumption	391,649	614,150	-36.2%	1,614,672	1,745,641	-7.5%
Beer Wholesale	4,407,863	5,681,680	-22.4%	16,872,300	16,286,176	3.6%
Cigarette	28,875,167	32,298,512	-10.6%	90,854,388	90,764,122	0.1%
Distilled Spirits Case Sales	6,814	7,491	-9.0%	36,785	33,745	9.0%
Distilled Spirits Consumption	659,877	1,253,284	-47.3%	3,322,337	3,664,372	-9.3%
Distilled Spirits Wholesale	2,310,978	3,809,527	-39.3%	10,967,067	11,605,781	-5.5%
Insurance Premium	21,122,826	28,523,895	-25.9%	22,879,911	30,114,759	-24.0%
Pari-Mutuel	1,466,672	417,072	251.7%	3,599,876	1,486,032	142.2%
Race Track Admission	0	0	---	80,510	86,338	-6.8%
Sales and Use	341,568,877	321,742,093	6.2%	1,053,250,090	977,331,613	7.8%
Wine Consumption	166,293	293,116	-43.3%	652,372	769,553	-15.2%
Wine Wholesale	835,423	1,458,418	-42.7%	3,503,795	4,049,866	-13.5%
Telecommunications Tax	5,730,175	4,461,174	28.4%	14,546,019	14,403,829	1.0%
Other Tobacco Products	1,879,236	2,039,725	-7.9%	5,624,869	6,119,283	-8.1%
Floor Stock Tax	6,144	4,005,185	-99.8%	24,776	21,159,545	-99.9%
License and Privilege	\$295,486	\$182,900	61.6%	\$217,906	(\$341,732)	---
Alc. Bev. License Suspensior	34,250	48,750	-29.7%	88,000	111,250	-20.9%
Corporation License	349	43,752	-99.2%	942	44,657	-97.9%
Corporation Organization	2,320	9,505	-75.6%	27,435	9,505	188.6%
Occupational Licenses	8,880	13,852	-35.9%	35,686	31,020	15.0%
Race Track License	0	0	---	95,000	95,000	0.0%
Bank Franchise Tax	173,543	12,836	1252.0%	(197,943)	(805,226)	---
Driver License Fees	76,144	54,205	40.5%	168,786	172,062	-1.9%
Natural Resources	\$8,998,935	\$10,062,791	-10.6%	\$26,157,904	\$29,258,307	-10.6%
Coal Severance	6,645,689	7,003,868	-5.1%	17,571,676	19,954,372	-11.9%
Oil Production	391,009	601,902	-35.0%	1,436,630	1,727,422	-16.8%
Minerals Severance	1,582,536	1,582,463	0.0%	5,636,844	5,004,077	12.6%
Natural Gas Severance	379,701	874,558	-56.6%	1,512,754	2,572,435	-41.2%
Income	\$599,153,158	\$609,048,236	-1.6%	\$1,308,225,391	\$1,310,726,340	-0.2%
Corporation	117,621,589	120,218,664	-2.2%	134,241,162	145,816,242	-7.9%
Individual	453,270,518	453,905,768	-0.1%	1,133,970,486	1,115,938,449	1.6%
Limited Liability Entity	28,261,051	34,923,804	-19.1%	40,013,743	48,971,649	-18.3%
Property	\$18,709,284	\$18,557,126	0.8%	\$43,827,499	\$48,573,747	-9.8%
Building & Loan Association	0	0	---	46,771	257,579	-81.8%
General - Real	16,000	11,053	44.8%	73,130	54,344	34.6%
General - Tangible	10,737,164	10,084,197	6.5%	33,018,120	32,831,714	0.6%
Omitted & Delinquent	2,942,171	3,478,387	-15.4%	3,433,039	4,943,932	-30.6%
Public Service	5,013,949	4,983,248	0.6%	7,256,726	10,481,690	-30.8%
Other	0	242	-100.0%	(288)	4,488	---
Inheritance Tax	\$2,329,740	\$3,628,453	-35.8%	\$10,425,927	\$13,594,894	-23.3%
Miscellaneous	\$2,296,743	\$2,146,623	7.0%	\$2,400,797	\$6,693,793	-64.1%
Legal Process	1,261,747	1,269,322	-0.6%	3,297,440	4,058,097	-18.7%
T. V. A. In Lieu Payments	941,559	877,300	7.3%	(1,175,324)	2,631,901	---
Other	93,437	0	---	278,681	3,795	7243.4%
Nontax Receipts	\$20,749,598	\$26,719,866	-22.3%	\$76,167,351	\$78,592,656	-3.1%
Departmental Fees	1,448,877	2,073,492	-30.1%	3,595,870	3,649,937	-1.5%
PSC Assessment Fee	2,995	1,249,318	-99.8%	13,014,402	15,689,168	-17.0%
Fines & Forfeitures	1,462,749	3,562,116	-58.9%	4,360,041	6,394,100	-31.8%
Income on Investments	(916,148)	(728,299)	---	(1,831,789)	(1,444,874)	---
Lottery	20,000,000	19,500,000	2.6%	58,500,000	56,500,000	3.5%
Miscellaneous	(1,248,875)	1,063,238	---	(1,471,172)	(2,195,674)	---
Redeposit of State Funds	\$2,557,303	\$384,788	564.6%	\$2,084,455	\$711,236	193.1%

2. ROAD FUND REVENUE

	<u>SEPTEMBER</u> <u>2019</u>	<u>SEPTEMBER</u> <u>2018</u>	<u>% Change</u>	<u>JULY THROUGH SEPTEMBER</u> <u>FY 2020</u>	<u>FY 2019</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$131,115,508	\$126,273,601	3.8%	\$401,666,339	\$397,284,793	1.1%
Tax Receipts-	128,223,333	124,641,792	2.9%	\$392,393,114	\$389,353,673	0.8%
Sales and Gross Receipts	\$119,105,913	\$115,695,748	2.9%	\$343,740,511	\$334,302,285	2.8%
Motor Fuels Taxes	73,552,918	72,942,651	0.8%	202,824,589	201,176,590	0.8%
Motor Vehicle Usage	45,552,995	42,753,097	6.5%	140,915,922	133,125,695	5.9%
License and Privilege	\$9,117,421	\$8,946,043	1.9%	\$48,652,603	\$55,051,388	-11.6%
Motor Vehicles	6,490,116	6,087,022	6.6%	20,592,045	23,726,370	-13.2%
Motor Vehicle Operators	1,462,602	1,500,292	-2.5%	4,234,075	4,327,187	-2.2%
Weight Distance	455,335	545,259	-16.5%	21,504,601	21,226,226	1.3%
Truck Decal Fees	3,363	4,440	-24.2%	15,417	16,739	-7.9%
Other Special Fees	706,005	809,030	-12.7%	2,306,465	5,754,867	-59.9%
Nontax Receipts	\$2,334,978	\$1,596,182	46.3%	\$8,394,247	\$7,659,452	9.6%
Departmental Fees	1,827,380	987,502	85.1%	5,815,294	4,802,627	21.1%
In Lieu of Traffic Fines	27,640	26,310	5.1%	87,592	92,633	-5.4%
Income on Investments	125,332	168,162	-25.5%	1,496,680	1,907,089	-21.5%
Miscellaneous	354,626	414,208	-14.4%	994,681	857,103	16.1%
Redeposit of State Funds	\$557,196	\$35,627	1464.0%	\$878,978	\$271,667	223.5%

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