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GENERAL FUND AND ROAD FUND RECEIPTS
FOR SEPTEMBER 2020

General Fund receipts rose 4.8 Percent, Year-to-Date up 5.8 Percent
Road Fund receipts unchanged, Year-to-Date up 1.9 Percent

FRANKFORT, Ky. (Friday, October 9, 2020) - State Budget Director John Hicks reported today that General Fund receipts rose 4.8 percent in September with revenues of \$1,115.4 million. This compares to \$1,064.5 million collected in September 2019. So far this fiscal year (FY21), the General Fund has grown 5.8 percent. September closes out the first quarter of the fiscal year and collections have rebounded from the fourth quarter of FY20 in which collections fell 4.5 percent due to the effects of COVID-19.

The official General Fund revenue estimate for FY21 calls for revenue to grow 0.3 percent compared to FY20 actual receipts. Based on September's results, General Fund revenues can decline 1.4 percent for the remainder of the fiscal year and still meet the official estimate.

Road Fund receipts for September totaled \$131.1 million and were unchanged from September 2019 levels. For the first three months of the fiscal year, collections have risen 1.9 percent. Like the General Fund, receipts in the first quarter represent a significant improvement from the previous quarter in which Road Fund revenues fell 23.6 percent.

Hicks noted that September's General Fund revenue growth was broadly based, led by strength in sales taxes. "The sales tax grew each month of the first quarter of FY21 after three months of declines as consumption-based taxes continue to outperform expectations. Withholding collections were 2.2 percent

higher in September, up 5.6 percent in the first quarter, and were just 1.9 percent higher in the quarter when excluding the impact of unemployment insurance benefits. September revenues also include quarterly estimated tax payments, whereby individuals and corporations make their third of four advanced payments on expected tax year 2020 income tax liabilities that will come due next spring. The individual income tax component of the estimated payments totaled \$95.3 million in September, 1.4 percent lower than September 2019. Estimated payments are down 6.4 percent for the three estimated payments for tax year 2020 to-date. Corporate estimated payments were 4.9 percent lower with collections of \$105.4 million. Both sources of revenue, while falling, exceeded earlier expectations given the presence of COVID-19. As always, we will continue to monitor the economic and revenue conditions, both nationally and here in the Commonwealth, culminating in a quarterly report that will be released at the end of October.”

Among the major accounts:

- Individual income taxes grew 0.7 percent in September as a gain in withholding nearly equally offset declines in net returns and declarations. Year-to-date collections in the individual income tax have grown 4.5 percent.
- Sales tax revenues grew 4.5 percent in September and have increased 7.0 percent in the first three months of the year.
- Corporation income and Limited Liability Entity Tax (LLET) receipts fell 2.0 percent for the month and have declined 5.3 percent in the first quarter of the fiscal year.
- Insurance premium tax receipts in September were \$20 million higher than last September due primarily to the early collection of revenues that normally occur in October.
- Cigarette taxes grew 3.4 percent in September but are down 3.3 percent for the first three months of the fiscal year.
- Property taxes grew 13.1 percent in September and have increased 23.5 percent for the year. Less than ten percent of the property tax receipts are collected in the first quarter of the fiscal year.
- Coal severance tax receipts fell 27.9 percent for the month. Year-to-date collections are down 31.1 percent.
- Lottery revenues rose 10.0 percent in September and are up 3.4 percent for the year.

Road Fund receipts were flat in September with collections of \$131.1 million while year-to-date collections have grown 1.9 percent. The official Road Fund revenue estimate calls for a 3.5 percent decrease in receipts for the entire fiscal year (FY21). Based on year-to-date collections, revenues must increase 4.0 percent for the remainder of the fiscal year to meet the estimate.

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Among the major accounts:

- Motor fuels receipts fell 9.6 percent in September and have declined 5.3 percent for the year.
- Motor vehicle usage collections rose 13.8 percent for the month. Year-to-date collections are up 12.1 percent.
- License and privilege taxes grew 21.0 percent in September. For the first three months of the fiscal year, receipts have increased 8.4 percent.

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KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	SEPTEMBER 2020	SEPTEMBER 2019	% Change	JULY THROUGH SEPTEMBER FY 2021	JULY THROUGH SEPTEMBER FY 2020	% Change
TOTAL GENERAL FUND	\$1,115,361,602	\$1,064,518,241	4.8%	\$2,854,286,907	\$2,697,336,996	5.8%
Tax Receipts	\$1,087,275,049	\$1,041,211,340	4.4%	\$2,770,225,854	\$2,619,085,190	5.8%
Sales and Gross Receipts	\$453,539,747	\$409,427,994	10.8%	\$1,332,381,610	\$1,227,829,767	8.5%
Beer Consumption	559,652	391,649	42.9%	1,671,453	1,614,672	3.5%
Beer Wholesale	5,651,429	4,407,863	28.2%	18,436,819	16,872,300	9.3%
Cigarette	29,843,396	28,875,167	3.4%	87,885,202	90,854,388	-3.3%
Distilled Spirits Case Sales	15,956	6,814	134.2%	51,326	36,785	39.5%
Distilled Spirits Consumption	1,357,647	659,877	105.7%	4,437,681	3,322,337	33.6%
Distilled Spirits Wholesale	4,959,807	2,310,978	114.6%	15,464,525	10,967,067	41.0%
Insurance Premium	41,152,466	21,122,826	94.8%	41,927,941	22,879,911	83.3%
Pari-Mutuel	2,151,575	1,466,672	46.7%	4,831,636	3,599,876	34.2%
Race Track Admission	0	0	---	0	80,510	-100.0%
Sales and Use	356,930,171	341,568,877	4.5%	1,127,108,868	1,053,250,090	7.0%
Wine Consumption	275,709	166,293	65.8%	851,831	652,372	30.6%
Wine Wholesale	1,565,735	835,423	87.4%	4,673,716	3,503,795	33.4%
Telecommunications Tax	5,898,854	5,730,175	2.9%	17,706,633	14,546,019	21.7%
Other Tobacco Products	3,176,496	1,879,236	69.0%	7,328,162	5,624,869	30.3%
Floor Stock Tax	854	6,144	-86.1%	5,815	24,776	-76.5%
License and Privilege	\$306,983	\$295,486	3.9%	\$1,206,030	\$217,906	453.5%
Alc. Bev. License Suspension	11,000	34,250	-67.9%	18,500	88,000	-79.0%
Corporation License	7,696	349	2102.7%	22,165	942	2254.0%
Corporation Organization	290	2,320	-87.5%	440	27,435	-98.4%
Occupational Licenses	9,370	8,880	5.5%	48,293	35,686	35.3%
Race Track License	67,500	0	---	80,000	95,000	-15.8%
Bank Franchise Tax	156,246	173,543	-10.0%	831,963	(197,943)	---
Driver License Fees	54,882	76,144	-27.9%	204,669	168,786	21.3%
Natural Resources	\$6,791,042	\$8,998,935	-24.5%	\$19,159,364	\$26,157,904	-26.8%
Coal Severance	4,792,205	6,645,689	-27.9%	12,114,184	17,571,676	-31.1%
Oil Production	281,946	391,009	-27.9%	875,854	1,436,630	-39.0%
Minerals Severance	1,635,367	1,582,536	3.3%	5,585,009	5,636,844	-0.9%
Natural Gas Severance	81,525	379,701	-78.5%	584,318	1,512,754	-61.4%
Income	\$599,638,944	\$599,153,158	0.1%	\$1,349,806,003	\$1,308,225,391	3.2%
Corporation	101,248,409	117,621,589	-13.9%	100,401,053	134,241,162	-25.2%
Individual	456,626,311	453,270,518	0.7%	1,184,713,966	1,133,970,486	4.5%
Limited Liability Entity	41,764,224	28,261,051	47.8%	64,690,985	40,013,743	61.7%
Property	\$21,166,309	\$18,709,284	13.1%	\$54,116,314	\$43,827,499	23.5%
Building & Loan Association	0	0	---	51,057	46,771	9.2%
General - Real	(201,157)	16,000	---	(102,989)	73,130	---
General - Tangible	10,704,104	10,737,164	-0.3%	40,046,087	33,018,120	21.3%
Omitted & Delinquent	4,106,939	2,942,171	39.6%	4,869,942	3,433,039	41.9%
Public Service	6,611,257	5,013,949	31.9%	9,306,792	7,256,726	28.3%
Other	(54,833)	0	---	(54,574)	(288)	---
Inheritance Tax	\$4,092,214	\$2,329,740	75.7%	\$14,231,697	\$10,425,927	36.5%
Miscellaneous	\$1,739,809	\$2,296,743	-24.2%	(\$675,165)	\$2,400,797	---
Legal Process	863,444	1,261,747	-31.6%	2,432,313	3,297,440	-26.2%
T. V. A. In Lieu Payments	832,214	941,559	-11.6%	(3,503,357)	(1,175,324)	---
Other	44,151	93,437	-52.7%	395,880	278,681	42.1%
Nontax Receipts	\$27,664,620	\$20,749,598	33.3%	\$78,827,088	\$76,167,351	3.5%
Departmental Fees	1,290,833	1,448,877	-10.9%	2,776,756	3,595,870	-22.8%
PSC Assessment Fee	359,436	2,995	11902.9%	14,344,316	13,014,402	10.2%
Fines & Forfeitures	837,926	1,462,749	-42.7%	2,652,231	4,360,041	-39.2%
Income on Investments	(78,931)	(916,148)	---	(227,617)	(1,831,789)	---
Lottery	22,000,000	20,000,000	10.0%	60,500,000	58,500,000	3.4%
Miscellaneous	3,255,356	(1,248,875)	---	(1,218,599)	(1,471,172)	---
Redeposit of State Funds	\$421,933	\$2,557,303	-83.5%	\$5,233,965	\$2,084,455	151.1%

2. ROAD FUND REVENUE

	<u>SEPTEMBER</u> <u>2020</u>	<u>SEPTEMBER</u> <u>2019</u>	<u>% Change</u>	<u>JULY THROUGH SEPTEMBER</u> <u>FY 2021</u>	<u>JULY THROUGH SEPTEMBER</u> <u>FY 2020</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$131,066,957	\$131,115,508	0.0%	\$409,436,318	\$401,666,340	1.9%
Tax Receipts-	129,374,159	128,223,333	0.9%	\$402,784,704	\$392,393,114	2.6%
Sales and Gross Receipts	\$118,338,530	\$119,105,913	-0.6%	\$350,064,463	\$343,740,511	1.8%
Motor Fuels Taxes	66,510,868	73,552,918	-9.6%	192,096,252	202,824,589	-5.3%
Motor Vehicle Usage	51,827,662	45,552,995	13.8%	157,968,211	140,915,922	12.1%
License and Privilege	\$11,035,629	\$9,117,421	21.0%	\$52,720,241	\$48,652,603	8.4%
Motor Vehicles	7,904,316	6,490,116	21.8%	25,675,898	20,592,045	24.7%
Motor Vehicle Operators	1,680,023	1,462,602	14.9%	5,340,665	4,234,075	26.1%
Weight Distance	762,776	455,335	67.5%	18,929,339	21,504,601	-12.0%
Truck Decal Fees	10,080	3,363	199.7%	44,660	15,417	189.7%
Other Special Fees	678,435	706,005	-3.9%	2,729,679	2,306,465	18.3%
Nontax Receipts	\$1,716,362	\$2,334,978	-26.5%	\$6,578,884	\$8,394,247	-21.6%
Departmental Fees	1,331,879	1,827,380	-27.1%	5,288,390	5,815,294	-9.1%
In Lieu of Traffic Fines	13,515	27,640	-51.1%	38,685	87,592	-55.8%
Income on Investments	30,243	125,332	-75.9%	165,879	1,496,680	-88.9%
Miscellaneous	340,725	354,626	-3.9%	1,085,931	994,681	9.2%
Redeposit of State Funds	(\$23,563)	\$557,196	---	\$72,730	\$878,979	-91.7%

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