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**GENERAL FUND AND ROAD FUND RECEIPTS
INCREASE SHARPLY IN MAY 2021**

General Fund receipts increased 56.7 percent, Year-to-Date up 14.3 percent
Road Fund receipts increased 55.4 percent, Year-to-Date up 9.0 percent

FRANKFORT, KY - (Thursday, June 10, 2021) - The Office of State Budget Director reported today that May's General Fund receipts rose 56.7 percent compared to May of last year, an increase of \$442.7 million. Total revenues for the month were \$1,223.7 million, compared to \$781.0 million during May 2020. Last year's receipts, in May 2020, occurred during the midst of the short-lived but pronounced pandemic-related recession. Hence, all the major tax categories had increases with sales and income taxes having the largest increases.

The official budget estimate calls for revenues to grow 1.2 percent for the entire fiscal year. Receipts have now grown 14.3 percent for the first eleven months of FY21. General Fund receipts stand at \$11,610.6 million through May while the official enacted estimate is \$11,704.0 million for the entire FY21.

Road Fund receipts for May totaled \$148.9 million, a 55.4 percent increase compared to May 2020 levels. Year-to-date receipts have increased 9.0 percent.

State Budget Director John Hicks noted that the individual income tax was subject to timing issues associated with filing deadlines. The sales tax continues to be a major engine of growth in the General Fund. “Three of the five highest months of sales tax collections in Kentucky’s history have been January, April, and May of 2021. Sales tax receipts are up 11.5 percent year-to-date. The May growth rate for sales tax receipts of 33.9 percent is misleading since May 2020 occurred during the recession. Individual income taxes growth rates are similarly affected since tax year 2019 returns had a July 15, 2020 deadline and the recent tax year 2020 returns had a May 17, 2021 deadline, so timing makes them difficult to compare. For both the business taxes and the individual income tax receipts, a fairer comparison will be forthcoming a month from now in the press release for June receipts since results for the entire April-June quarter will be available. Notwithstanding any issues of timing, General Fund receipts have now grown 14.3 percent through the first eleven months of FY21 and will exceed the official estimate by a wide margin.”

Among the major accounts:

- Sales and use tax receipts increased 33.9 percent for the month and have grown 11.5 percent year-to-date.
- Corporation income and the Limited Liability Entity tax (LLET) receipts were \$44.9 million higher in May 2021 compared to last year when the combined receipts were negative due to a surge in refunds. Collections in these accounts have increased 68.7 percent for the year. For the month, corporation declarations and net returns both increased by a combined \$49.5 million while LLET receipts declined by \$4.6 million.
- Individual income tax collections increased 76.5 percent in May due, in part, to the difference in the filing deadline from last year. Declarations and payments with returns were each up by more than \$100 million. Withholding increased by 9.4 percent and has grown 5.7 percent year-to-date. Receipts have now increased 14.8 percent through the first eleven months of FY21.
- Property tax collections increased 83.6 percent, or \$13.3 million, in May. All the major components of this tax increased in May and year-to-date receipts are up 8.8 percent, particularly tangible property tax revenues, including on motor vehicles. The FY21 growth rate in property taxes is the highest this century.
- Cigarette tax receipts fell 34.5 percent in May and are down 4.2 percent year-to-date. Cigarette tax receipts have been very volatile this fiscal year as high growth months are usually followed by sharp downturns in the following month.
- Coal severance tax receipts rose 12.7 percent in May to \$4.7 million. Collections have declined 8.8 percent through the first eleven months of the fiscal year.

Road Fund receipts increased 55.4 percent in May 2021 with collections of \$148.9 million, the second highest month ever and second only to April 2021 receipts. May receipts were \$53.1 million more than last May, resulting in large part from suppressed collections in May 2020 due to the pandemic. Year-to-date collections have increased 9.0 percent. Among the accounts, motor fuels receipts have rebounded in the last two months, rising 42.3 percent in May, but down 0.7 percent for the year. Motor vehicle usage revenues increased 83.6 percent and are up 24.7 percent year-to-date. License and privilege receipts rose 36.3 percent. The official Road Fund revenue estimate calls for a 5.8 percent increase in revenues for the fiscal year.

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KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>MAY</u> <u>2021</u>	<u>MAY</u> <u>2020</u>	<u>% Change</u>	<u>JULY THROUGH MAY</u> <u>FY 2021</u>	<u>FY 2020</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$1,223,664,840	\$781,025,850	56.7%	\$11,610,596,208	\$10,156,410,524	14.3%
Tax Receipts	\$1,190,158,841	\$746,148,021	59.5%	\$11,237,502,798	\$9,809,214,935	14.6%
Sales and Gross Receipts	\$492,774,572	\$377,801,821	30.4%	\$4,918,883,854	\$4,431,843,710	11.0%
Beer Consumption	605,953	526,081	15.2%	5,762,270	5,659,816	1.8%
Beer Wholesale	6,534,623	5,153,979	26.8%	58,339,367	55,897,690	4.4%
Cigarette	21,195,084	32,365,067	-34.5%	311,304,547	325,011,940	-4.2%
Distilled Spirits Case Sales	18,071	15,694	15.1%	185,363	164,460	12.7%
Distilled Spirits Consumption	1,548,157	1,395,203	11.0%	16,101,382	14,500,955	11.0%
Distilled Spirits Wholesale	5,836,956	4,465,504	30.7%	57,663,337	49,113,769	17.4%
Insurance Premium	35,033,550	21,972,344	59.4%	155,466,047	135,291,368	14.9%
Pari-Mutuel	3,913,061	22,553	17250.9%	27,696,244	14,927,887	85.5%
Race Track Admission	11,635	0	---	21,551	143,685	-85.0%
Sales and Use	405,317,363	302,794,500	33.9%	4,159,793,964	3,730,209,859	11.5%
Wine Consumption	292,924	297,121	-1.4%	3,207,479	2,971,642	7.9%
Wine Wholesale	1,724,745	1,541,622	11.9%	18,366,096	16,247,527	13.0%
Telecommunications Tax	6,510,963	5,450,385	19.5%	67,848,029	61,631,149	10.1%
Other Tobacco Products	4,231,467	1,799,158	135.2%	37,121,269	20,022,019	85.4%
Floor Stock Tax	21	2,610	-99.2%	6,910	49,946	-86.2%
License and Privilege	\$375,584	(\$651,966)	---	\$117,720,415	\$123,856,731	-5.0%
Alc. Bev. License Suspension	46,000	7,450	517.4%	186,350	247,950	-24.8%
Corporation License	25	8,779	-99.7%	194,332	47,428	309.7%
Corporation Organization	369	0	---	30,151	60,992	-50.6%
Occupational Licenses	40,224	11,623	246.1%	204,372	128,225	59.4%
Race Track License	7,500	0	---	242,691	242,717	0.0%
Bank Franchise Tax	196,674	(689,318)	---	115,991,023	121,910,890	-4.9%
Driver License Fees	84,792	9,501	792.5%	871,497	1,218,530	-28.5%
Natural Resources	\$6,964,347	\$6,288,253	10.8%	\$76,266,282	\$83,078,363	-8.2%
Coal Severance	4,744,879	4,209,061	12.7%	51,523,536	56,473,821	-8.8%
Oil Production	366,511	85,488	328.7%	3,617,953	4,498,266	-19.6%
Minerals Severance	1,438,098	1,708,970	-15.9%	18,302,641	17,887,220	2.3%
Natural Gas Severance	414,859	284,734	45.7%	2,822,152	4,219,055	-33.1%
Income	\$650,309,601	\$341,736,809	90.3%	\$5,373,828,174	\$4,481,975,953	19.9%
Corporation	25,881,922	(23,663,056)	---	460,733,716	219,948,762	109.5%
Individual	608,233,449	344,555,551	76.5%	4,664,034,207	4,061,252,265	14.8%
Limited Liability Entity	16,194,230	20,844,313	-22.3%	249,060,252	200,774,925	24.0%
Property	\$29,210,070	\$15,910,187	83.6%	\$683,356,964	\$627,910,629	8.8%
Building & Loan Association	0	516,324	-100.0%	51,057	323,470	-84.2%
General - Real	2,169,802	2,148,843	1.0%	317,341,887	303,006,765	4.7%
General - Tangible	22,231,774	10,251,728	116.9%	278,230,519	242,025,059	15.0%
Omitted & Delinquent	3,632,853	1,984,611	83.1%	13,735,082	10,114,551	35.8%
Public Service	1,127,033	967,136	16.5%	71,406,088	70,154,683	1.8%
Other	48,608	41,545	17.0%	2,592,331	2,286,103	13.4%
Inheritance Tax	\$8,711,844	\$3,779,031	130.5%	\$55,227,243	\$42,731,985	29.2%
Miscellaneous	1,812,823	1,283,886	41.2%	12,219,865	17,817,564	-31.4%
Legal Process	1,098,173	420,265	161.3%	9,281,716	11,123,187	-16.6%
T. V. A. In Lieu Payments	714,650	832,214	-14.1%	2,537,802	5,824,909	-56.4%
Other	0	31,407	-100.0%	400,346	869,468	-54.0%
Nontax Receipts	\$33,332,475	\$34,747,859	-4.1%	\$354,580,284	\$329,334,980	7.7%
Departmental Fees	1,245,276	1,026,936	21.3%	9,872,868	12,883,196	-23.4%
PSC Assessment Fee	0	194	-100.0%	14,344,982	13,071,616	9.7%
Fines & Forfeitures	1,517,693	498,523	204.4%	11,411,513	14,983,108	-23.8%
Income on Investments	(33,954)	37,838	---	(697,355)	(6,103,808)	---
Lottery	25,000,000	22,000,000	13.6%	256,104,545	245,363,344	4.4%
Miscellaneous	5,603,460	11,184,367	-49.9%	63,543,730	49,137,525	29.3%
Redeposit of State Funds	\$173,524	\$129,970	33.5%	\$18,513,127	\$17,860,609	3.7%

2. ROAD FUND REVENUE

	<u>MAY</u>	<u>MAY</u>	<u>% Change</u>	<u>JULY THROUGH MAY</u>		<u>% Change</u>
	<u>2021</u>	<u>2020</u>		<u>FY 2021</u>	<u>FY 2020</u>	
TOTAL STATE ROAD FUND	\$148,860,099	\$95,762,738	55.4%	\$1,487,108,815	\$1,364,366,697	9.0%
Tax Receipts-	\$145,485,355	\$94,344,049	54.2%	\$1,460,356,959	\$1,333,654,501	9.5%
Sales and Gross Receipts	\$119,649,621	\$75,395,482	58.7%	\$1,238,027,939	\$1,132,205,043	9.3%
Motor Fuels Taxes	64,713,614	45,468,619	42.3%	677,887,028	682,880,170	-0.7%
Motor Vehicle Usage	54,936,007	29,926,863	83.6%	560,140,911	449,324,873	24.7%
License and Privilege	\$25,835,733	\$18,948,567	36.3%	\$222,329,020	\$201,449,457	10.4%
Motor Vehicles	11,058,945	7,800,476	41.8%	105,729,217	97,385,814	8.6%
Motor Vehicle Operators	2,063,493	609	---	20,035,885	12,882,538	55.5%
Weight Distance	11,957,815	10,430,674	14.6%	82,753,218	79,975,868	3.5%
Truck Decal Fees	42,640	28,040	52.1%	142,460	82,140	73.4%
Other Special Fees	712,840	688,768	3.5%	13,668,240	11,123,098	22.9%
Nontax Receipts	\$2,840,217	\$1,391,343	104.1%	\$25,853,699	\$30,212,654	-14.4%
Departmental Fees	2,009,471	641,372	213.3%	20,667,848	18,994,381	8.8%
In Lieu of Traffic Fines	19,935	8,355	138.6%	188,700	273,817	-31.1%
Income on Investments	323,175	238,952	35.2%	422,985	6,499,580	-93.5%
Miscellaneous	487,636	502,664	-3.0%	4,574,165	4,444,875	2.9%
Redeposit of State Funds	\$534,527	\$27,345	1854.7%	\$898,157	\$499,543	79.8%

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