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**GENERAL FUND AND ROAD FUND RECEIPTS
FOR JANUARY 2023**

General Fund receipts increase 6.2 percent, up 5.8 percent year-to-date
Road Fund receipts increase 8.8 percent, up 4.1 percent year-to-date

FRANKFORT, KY – (Friday, February 10, 2023) - State Budget Director John Hicks reported today that General Fund receipts rose 6.2 percent in January compared to last year. Total revenues for the month were \$1,288.1 million, \$75.1 million more than was collected in January 2022. Receipts have now grown 5.8 percent for the first seven months of Fiscal Year 2023 (FY23). When adjusting for a one-time legal settlement received in September of FY22, General Fund receipts have risen 8.8 percent thus far in FY23.

All the major receipts categories had increases with sales and gross receipts accounting for more than \$37 million of the total \$75.1 million increase.

Hicks noted that the continued strength in the Kentucky economy paved the path to revenue growth even with the impact of the January 1 effective date of a tax cut. "The 10 percent reduction of the individual income tax rate from 5.0 percent to 4.5 percent became effective January 1, 2023. Withholding receipts still grew 1.2 percent in January even though the withholding tax tables dropped by 10 percent. Strong growth in Kentucky wages, coupled with employment growth, have positioned Kentucky's revenue collections to grow even with the rate reduction. January's sales tax collections of \$553.2 million set an all-time monthly record and were seven percent higher than the previous monthly high."

Among the major accounts:

- Individual income tax collections grew 2.1 percent for the month as increases in withholding and net returns offset a decline in estimated payments. Revenues have grown 7.6 percent through the first seven months of FY23.
- Sales and use tax receipts continue to be strong. Collections were \$553.2 million, setting an all-time monthly record for the sales tax. January was only the second month that sales tax receipts have exceeded \$500 million, with the other time being January 2022. Revenues have grown 9.9 percent year-to date.
- Combined corporation income and LLET tax receipts totaled \$49.9 million in January, an increase of 19.2 percent. Year-to-date collections have increased 4.6 percent.
- Property tax collections grew 5.2 percent in January to \$102.5 million. Collections through the first seven months now stand at 7.5 percent. Real property and tangible personal property on motor vehicles led the way with double-digit increases.
- Cigarette tax receipts rose for only the second time this fiscal year, growing 1.1 percent for the month. However, year-to-date revenues have fallen 5.4 percent.
- Coal severance tax receipts continue to be strong, increasing 70.7 percent to \$9.8 million. Collections have grown 56.9 percent through the first seven months of the fiscal year. January collections are the largest since February 2019.
- Income on investments continues to be a major source of growth in the General Fund. January's receipts totaled \$14.7 million as investable balances rise amidst an environment of rising short-term interest rates.

Road Fund receipts grew 8.8 percent in January to \$144.1 million, primarily on the strength of motor vehicle usage tax receipts. Year-to-date collections in the Road Fund have increased 4.1 percent. The official Road Fund revenue estimate calls for revenues to grow 2.7 percent for the fiscal year. Based on year-to-date tax collections, revenues must increase 0.9 percent for the remainder of the fiscal year to meet the official forecast.

Among the accounts, motor vehicle usage revenue increased 21.3 percent, motor fuels collections fell 5.9 percent after rising 6.0 percent in December, and license and privilege receipts grew 9.3 percent.



KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>JANUARY</u> <u>2023</u>	<u>JANUARY</u> <u>2022</u>	<u>% Change</u>	<u>JULY THROUGH</u> <u>FY 2023</u>	<u>JULY THROUGH</u> <u>FY 2022</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$1,288,053,769	\$1,212,923,971	6.2%	\$8,725,490,133	\$8,245,763,068	5.8%
Tax Receipts	\$1,248,904,915	\$1,185,325,773	5.4%	\$8,408,082,245	\$7,766,148,055	8.3%
Sales and Gross Receipts	\$610,135,797	\$572,830,351	6.5%	\$3,773,020,880	\$3,456,844,670	9.1%
Beer Consumption	380,603	486,326	-21.7%	3,685,980	3,869,259	-4.7%
Beer Wholesale	5,337,260	5,435,077	-1.8%	42,713,129	41,265,302	3.5%
Cigarette	25,421,361	25,143,851	1.1%	180,691,600	191,093,837	-5.4%
Distilled Spirits Case Sales	23,158	21,745	6.5%	144,125	139,242	3.5%
Distilled Spirits Consumption	1,735,602	1,557,212	11.5%	11,295,447	11,101,347	1.7%
Distilled Spirits Wholesale	7,252,631	7,087,575	2.3%	44,675,012	42,655,417	4.7%
Insurance Premium	(1,394,682)	9,793	---	56,463,563	36,130,019	56.3%
Pari-Mutuel	5,805,816	4,658,418	24.6%	29,816,569	25,148,274	18.6%
Race Track Admission	0	13,500	-100.0%	63,820	96,490	-33.9%
Sales and Use	553,189,451	516,492,728	7.1%	3,319,263,892	3,020,521,497	9.9%
Wine Consumption	344,922	373,425	-7.6%	1,943,353	2,056,207	-5.5%
Wine Wholesale	2,212,490	2,334,028	-5.2%	12,373,014	12,695,810	-2.5%
Telecommunications Tax	6,438,381	5,824,562	10.5%	44,279,984	44,401,495	-0.3%
Other Tobacco Products	3,388,613	3,392,087	-0.1%	25,608,838	25,679,768	-0.3%
Floor Stock Tax	48	24	100.0%	2,413	(9,294)	---
Car Rental & Ride Sharing	142	0	---	142	0	---
Natural Resources	\$13,384,923	\$9,389,231	42.6%	\$88,891,388	\$58,141,055	52.9%
Coal Severance	9,818,388	5,752,223	70.7%	56,548,851	36,045,926	56.9%
Oil Production	342,798	1,083,042	-68.3%	4,737,943	4,312,856	9.9%
Minerals Severance	1,585,875	1,628,551	-2.6%	16,416,637	13,896,044	18.1%
Natural Gas Severance	1,637,862	925,414	77.0%	11,187,958	3,886,230	187.9%
Individual Income Tax	\$465,553,500	\$456,090,225	2.1%	\$3,226,870,374	\$2,998,156,099	7.6%
Withholding	312,193,452	308,394,549	1.2%	2,838,301,587	2,653,159,390	7.0%
Declarations	135,267,633	137,585,436	-1.7%	325,442,979	310,829,914	4.7%
Net Returns	18,504,108	10,538,308	75.6%	65,114,507	35,104,117	85.5%
Fiduciary	(411,693)	(428,068)	---	(1,988,699)	(937,321)	---
Major Business Taxes	\$49,881,279	\$41,847,738	19.2%	\$648,031,358	\$619,759,257	4.6%
Corporation Income	42,956,473	29,107,317	47.6%	558,624,994	513,901,868	8.7%
LLET	6,924,806	12,740,421	-45.6%	89,406,364	105,857,388	-15.5%
Property	\$102,496,754	\$97,429,843	5.2%	\$618,802,288	\$575,850,177	7.5%
General - Real	69,863,424	63,340,835	10.3%	322,229,057	309,998,499	3.9%
General - Tangible	16,374,918	17,742,983	-7.7%	120,558,819	111,057,687	8.6%
Tangible - Motor Vehicle	13,905,438	9,610,243	44.7%	94,784,355	82,726,987	14.6%
Omitted & Delinquent	(356,740)	1,250,241	---	3,419,846	10,576,339	-67.7%
Public Service	2,867,670	5,487,522	-47.7%	75,438,079	59,474,298	26.8%
Other	(157,956)	(1,982)	---	2,372,133	2,016,368	17.6%
Inheritance Tax	\$5,557,403	\$6,090,204	-8.7%	\$45,665,016	\$50,402,717	-9.4%
Miscellaneous	\$1,895,260	\$1,648,182	15.0%	\$6,800,941	\$6,994,080	-2.8%
License and Privilege	\$161,275	\$167,843	-3.9%	1,150,182	886,805	29.7%
Bank Franchise	(\$34,416)	\$0	---	30,897	584,566	-94.7%
Legal Process	794,694	699,292	13.6%	5,421,387	6,144,077	-11.8%
T. V. A. In Lieu Payments	969,576	769,618	26.0%	170,585	(639,955)	---
Other	4,131	11,429	-63.9%	27,891	18,587	50.1%
Nontax Receipts	\$38,873,454	\$27,560,019	41.1%	\$310,056,396	\$473,191,434	-34.5%
Departmental Fees	914,643	784,360	16.6%	6,957,380	7,054,200	-1.4%
PSC Assessment Fee	9,438	0	---	10,213,112	13,491,870	-24.3%
Fines & Forfeitures	1,372,921	1,366,494	0.5%	11,028,115	10,695,106	3.1%
Income on Investments	14,677,185	(332,683)	---	52,320,521	(950,121)	---
Lottery	27,000,000	25,000,000	8.0%	190,790,883	178,342,688	7.0%
Miscellaneous	(5,100,733)	741,849	---	38,746,385	264,557,692	-85.4%
Redeposit of State Funds	\$275,399	\$38,178	621.4%	\$7,351,493	\$6,423,579	14.4%

2. ROAD FUND REVENUE

	<u>JANUARY</u> <u>2023</u>	<u>JANUARY</u> <u>2022</u>	<u>% Change</u>	<u>JULY THROUGH JANUARY</u> <u>FY 2023</u>	<u>FY 2022</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$144,105,276	\$132,498,084	8.8%	\$986,588,712	\$947,650,245	4.1%
Tax Receipts-	\$140,338,241	\$132,181,401	6.2%	\$968,119,261	\$935,120,188	3.5%
Sales and Gross Receipts	\$117,926,384	\$111,674,361	5.6%	\$839,631,321	\$814,532,193	3.1%
Motor Fuels Taxes	60,723,762	64,530,150	-5.9%	463,632,588	460,402,471	0.7%
Motor Vehicle Usage	57,202,623	47,144,211	21.3%	375,998,732	354,129,722	6.2%
License and Privilege	\$22,411,856	\$20,507,040	9.3%	\$128,487,941	\$120,587,996	6.6%
Motor Vehicles	8,563,415	7,625,895	12.3%	50,867,919	47,108,966	8.0%
Motor Vehicle Operators	1,481,738	4,059,784	-63.5%	15,751,322	15,857,761	-0.7%
Weight Distance	10,969,629	7,626,196	43.8%	55,641,734	51,512,556	8.0%
Truck Decal Fees	22,280	14,280	56.0%	126,100	75,320	67.4%
Other Special Fees	1,374,795	1,180,884	16.4%	6,100,866	6,033,392	1.1%
Nontax Receipts	\$3,712,032	\$267,513	1287.6%	\$18,234,532	\$11,941,501	52.7%
Departmental Fees	1,722,479	1,913,437	-10.0%	14,409,230	13,155,626	9.5%
In Lieu of Traffic Fines	55,665	19,230	189.5%	287,805	138,655	107.6%
Income on Investments	1,729,744	(1,850,160)	---	1,403,824	(3,280,168)	---
Miscellaneous	204,144	185,006	10.3%	2,133,673	1,927,387	10.7%
Redeposit of State Funds	\$55,003	\$49,170	11.9%	\$234,919	\$588,555	-60.1%

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