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

General Fund receipts decreased 2.7 percent, Up 4.5 percent year-to-date
Road Fund receipts increased 3.3 percent, Up 4.0 percent year-to-date

FRANKFORT, KY – (Wednesday May 10, 2023) - The Office of State Budget Director reported today that April's General Fund receipts were the second highest monthly amount ever. They were slightly lower than last April due to the reduction in the individual income tax rate but remain on target to meet the official revenue estimate. Collections for the month of April were \$1,788.7 million. Receipts have now grown 4.5 percent for the first 10 months of FY23.

The official revenue estimate, modified by legislative actions of the 2023 General Assembly, calls for revenue growth of 3.3 percent for the current fiscal year. To meet the official revenue estimate, receipts can decline 2.1 percent over the last two months of the fiscal year.

State Budget Director John Hicks remarked that April's revenue collections put Kentucky squarely on pace to hit the official revenue estimate for FY23. "The estimate calls for a \$1.4 billion revenue surplus this year and we are on track to meet it. Despite the small overall decline of 2.7 percent, sales and business tax receipts were markedly higher. Excluding the individual income tax, the remaining revenue categories combined to increase 10.9 percent. April's decline in the individual income tax was impacted by the recent 10 percent tax rate reduction from 5 to 4.5 percent, and came on the heels of an 80.7 percent increase last April, so a pullback was expected."

Among the major accounts:

- Sales and use tax receipts grew 8.3 percent to \$517.2 million. April was the second highest month of sales tax ever recorded and only the third month to exceed half a billion dollars in collections. Year-to-date collections have grown 10.4 percent.
- Corporation income and Limited Liability Entity Tax (LLET) receipts grew 16.4 percent to \$288.0 million. Revenues through the first 10 months have grown 6.6 percent.
- Individual income tax collections fell 15.0 percent in April as the tax rate reduction also impacted declaration payments and net returns. In spite of the 10 percent rate reduction, wages subject to withholding rose over last April. Through 10 months, collections have increased 0.6 percent.
- Property tax collections have continued to exceed expectations as revenues grew 11.9 percent for the month. The gains were concentrated in the general tangible and motor vehicle accounts. Receipts are up 7.4 percent year-to-date.
- Cigarette tax receipts fell 35.3 percent, or \$9.7 million in April and have fallen 10.1 percent year-to-date.
- Coal severance tax receipts increased 35.2 percent to \$7.7 million, the ninth time this year in which monthly collections have exceeded 30 percent. Revenues have grown 48.6 percent year-to-date.
- Income on investments grew \$18.7 million in April with year-to-date revenues of \$106.7 million.

Road Fund receipts grew 3.3 percent, or \$4.8 million in April as motor fuels collections were one of the few accounts to increase. Collections for the month were \$153.3 million. Year-to-date collection now stand at 4.0 percent. The official Road Fund revenue estimate calls for revenues to increase 2.7 percent for the fiscal year. Based on year-to-date tax collections, revenues can decline 3.2 percent for the remainder of the year and still meet the estimate.

Among the accounts, motor fuel revenue rose 7.7 percent in April. Collections from motor fuels have been limited in FY23 due to an emergency regulation filed last summer by Governor Beshear that froze the gasoline and special fuels tax rates to fight the effects of inflation and surging gasoline prices. The emergency regulation expired in late February, giving way to a statutorily-driven tax rate increase of two cents per gallon in March that will positively impact motor fuels tax receipts going forward. Motor vehicle usage tax collections fell 0.7 percent and license and privilege receipts were down 8.7 percent.

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KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

| | <u>APRIL</u> <u>2023</u> | <u>APRIL</u> <u>2022</u> | <u>% Change</u> | <u>JULY THROUGH APRIL</u> <u>FY 2023</u> | <u>JULY THROUGH APRIL</u> <u>FY 2022</u> | <u>% Change</u> |
|-------------------------------|-----------------------------|-----------------------------|-----------------|---|---|-----------------|
| TOTAL GENERAL FUND | \$1,788,739,037 | \$1,838,924,354 | -2.7% | \$12,638,223,315 | \$12,092,693,752 | 4.5% |
| Tax Receipts | \$1,725,429,275 | \$1,794,915,237 | -3.9% | \$12,143,983,574 | \$11,522,012,307 | 5.4% |
| Sales and Gross Receipts | \$568,078,116 | \$536,377,381 | 5.9% | \$5,309,529,559 | \$4,856,237,131 | 9.3% |
| Beer Consumption | 515,492 | 579,895 | -11.1% | 5,063,451 | 5,328,091 | -5.0% |
| Beer Wholesale | 5,681,468 | 5,509,656 | 3.1% | 57,579,694 | 55,196,107 | 4.3% |
| Cigarette | 17,779,093 | 27,472,279 | -35.3% | 241,037,086 | 268,066,668 | -10.1% |
| Distilled Spirits Case Sales | 20,140 | 19,088 | 5.5% | 194,213 | 183,155 | 6.0% |
| Distilled Spirits Consumption | 1,637,669 | 1,648,509 | -0.7% | 15,474,231 | 15,355,090 | 0.8% |
| Distilled Spirits Wholesale | 6,494,702 | 6,317,777 | 2.8% | 60,923,315 | 58,546,838 | 4.1% |
| Insurance Premium | 511,751 | 734,743 | -30.3% | 131,548,224 | 106,969,616 | 23.0% |
| Pari-Mutuel | 5,184,283 | 5,008,956 | 3.5% | 44,717,537 | 38,450,826 | 16.3% |
| Race Track Admission | 0 | 0 | --- | 63,820 | 105,875 | -39.7% |
| Sales and Use | 517,181,407 | 477,580,269 | 8.3% | 4,626,436,658 | 4,189,534,202 | 10.4% |
| Wine Consumption | 246,076 | 282,180 | -12.8% | 2,644,342 | 2,815,690 | -6.1% |
| Wine Wholesale | 1,617,571 | 1,736,821 | -6.9% | 16,910,063 | 17,236,680 | -1.9% |
| Telecommunications Tax | 6,186,301 | 6,136,029 | 0.8% | 63,819,122 | 63,425,514 | 0.6% |
| Other Tobacco Products | 2,042,227 | 3,351,156 | -39.1% | 34,553,258 | 35,047,140 | -1.4% |
| Floor Stock Tax | 0 | 24 | -100.0% | 2,486 | (24,361) | --- |
| Car Rental & Ride Sharing | 2,979,935 | 0 | --- | 8,562,058 | 0 | --- |
| Natural Resources | \$11,682,151 | \$9,730,377 | 20.1% | \$124,251,819 | \$86,438,304 | 43.7% |
| Coal Severance | 7,744,197 | 5,726,812 | 35.2% | 81,662,616 | 54,936,224 | 48.6% |
| Oil Production | 271,327 | 878,674 | -69.1% | 6,209,232 | 6,069,423 | 2.3% |
| Minerals Severance | 2,224,047 | 1,937,864 | 14.8% | 21,499,082 | 17,947,348 | 19.8% |
| Natural Gas Severance | 1,442,581 | 1,187,027 | 21.5% | 14,880,889 | 7,485,310 | 98.8% |
| Individual Income Tax | \$822,616,315 | \$967,497,745 | -15.0% | \$4,925,474,287 | \$4,897,013,260 | 0.6% |
| Withholding | 475,012,669 | 492,128,416 | -3.5% | 4,316,847,082 | 4,165,499,824 | 3.6% |
| Declarations | 182,965,555 | 266,547,607 | -31.4% | 525,109,678 | 592,834,643 | -11.4% |
| Net Returns | 163,543,680 | 205,784,808 | -20.5% | 88,673,151 | 136,521,168 | -35.0% |
| Fiduciary | 1,094,411 | 3,036,914 | -64.0% | (5,155,623) | 2,157,625 | --- |
| Pass-Through Entity Tax | 0 | 0 | --- | 0 | 0 | --- |
| Major Business Taxes | \$287,990,439 | \$247,382,026 | 16.4% | \$987,668,312 | \$926,876,947 | 6.6% |
| Corporation Income | 224,976,806 | 191,241,839 | 17.6% | 807,704,843 | 717,072,324 | 12.6% |
| LLET | 63,013,633 | 56,140,187 | 12.2% | 179,963,469 | 209,804,623 | -14.2% |
| Property | \$29,321,038 | \$26,202,664 | 11.9% | \$725,453,461 | \$675,441,797 | 7.4% |
| General - Real | 2,624,190 | 2,857,183 | -8.2% | 336,702,985 | 323,099,884 | 4.2% |
| General - Tangible | 6,468,001 | 3,201,349 | 102.0% | 134,001,756 | 122,091,582 | 9.8% |
| Tangible - Motor Vehicle | 28,399,676 | 25,194,332 | 12.7% | 161,432,905 | 143,040,679 | 12.9% |
| Omitted & Delinquent | (8,798,279) | (6,372,561) | --- | 10,768,670 | 10,827,406 | -0.5% |
| Public Service | 665,742 | 1,304,862 | -49.0% | 79,109,497 | 73,450,480 | 7.7% |
| Other | (38,293) | 17,499 | --- | 3,437,650 | 2,931,766 | 17.3% |
| Inheritance Tax | \$3,016,103 | \$5,622,254 | -46.4% | \$58,974,089 | \$66,983,277 | -12.0% |
| Miscellaneous | \$2,725,113 | \$2,102,791 | 29.6% | \$12,632,046 | \$13,021,592 | -3.0% |
| License and Privilege | \$171,173 | \$134,208 | 27.5% | 1,589,818 | 1,365,400 | 16.4% |
| Bank Franchise | \$396,207 | \$289,100 | 37.0% | (235,881) | 1,407,666 | --- |
| Legal Process | 865,062 | 897,076 | -3.6% | 7,847,790 | 8,518,279 | -7.9% |
| T. V. A. In Lieu Payments | 969,576 | 769,618 | 26.0% | 3,079,313 | 1,668,899 | 84.5% |
| Other | 323,095 | 12,788 | 2426.6% | 351,006 | 61,347 | 472.2% |
| Nontax Receipts | \$63,048,911 | \$45,378,030 | 38.9% | \$486,437,025 | \$565,414,396 | -14.0% |
| Departmental Fees | 1,814,159 | 1,211,061 | 49.8% | 11,497,758 | 10,985,084 | 4.7% |
| PSC Assessment Fee | 100 | 318 | -68.5% | 10,214,617 | 13,501,974 | -24.3% |
| Fines & Forfeitures | 1,889,854 | 1,958,449 | -3.5% | 16,317,079 | 15,586,486 | 4.7% |
| Income on Investments | 18,567,749 | (87,429) | --- | 106,698,819 | (1,941,273) | --- |
| Lottery | 30,000,000 | 28,000,000 | 7.1% | 277,290,883 | 258,342,688 | 7.3% |
| Miscellaneous | 10,777,048 | 14,295,631 | -24.6% | 64,417,870 | 268,939,438 | -76.0% |
| Redeposit of State Funds | \$260,851 | (\$1,368,913) | --- | \$7,802,716 | \$5,267,049 | 48.1% |

2. ROAD FUND REVENUE

| | <u>APRIL</u> <u>2023</u> | <u>APRIL</u> <u>2022</u> | <u>% Change</u> | <u>JULY THROUGH APRIL</u> <u>FY 2023</u> | <u>FY 2022</u> | <u>% Change</u> |
|------------------------------|-----------------------------|-----------------------------|-----------------|---|------------------------|-----------------|
| TOTAL STATE ROAD FUND | \$153,321,178 | \$148,480,954 | 3.3% | \$1,424,509,158 | \$1,369,208,207 | 4.0% |
| Tax Receipts- | \$149,925,626 | \$147,724,721 | 1.5% | \$1,394,169,145 | \$1,355,814,588 | 2.8% |
| Sales and Gross Receipts | \$123,617,907 | \$118,918,652 | 4.0% | \$1,194,122,817 | \$1,156,300,939 | 3.3% |
| Motor Fuels Taxes | 70,952,574 | 65,905,183 | 7.7% | 653,548,988 | 642,519,021 | 1.7% |
| Motor Vehicle Usage | 52,665,333 | 53,013,469 | -0.7% | 540,573,829 | 513,781,919 | 5.2% |
| License and Privilege | \$26,307,719 | \$28,806,069 | -8.7% | \$200,046,327 | \$199,513,649 | 0.3% |
| Motor Vehicles | 16,223,479 | 17,108,983 | -5.2% | 92,714,923 | 89,643,576 | 3.4% |
| Motor Vehicle Operators | 3,031,892 | 3,490,315 | -13.1% | 24,319,242 | 23,989,792 | 1.4% |
| Weight Distance | 6,366,924 | 7,467,296 | -14.7% | 72,557,751 | 73,375,501 | -1.1% |
| Truck Decal Fees | 28,800 | 43,840 | -34.3% | 180,580 | 137,580 | 31.3% |
| Other Special Fees | 656,623 | 695,635 | -5.6% | 10,273,831 | 12,367,200 | -16.9% |
| Nontax Receipts | \$3,387,553 | \$730,824 | 363.5% | \$30,018,465 | \$12,900,727 | 132.7% |
| Departmental Fees | 1,910,875 | 2,297,830 | -16.8% | 20,792,561 | 20,614,477 | 0.9% |
| In Lieu of Traffic Fines | 33,765 | 17,235 | 95.9% | 398,610 | 193,565 | 105.9% |
| Income on Investments | 1,092,999 | (1,766,487) | --- | 5,616,136 | (10,766,849) | --- |
| Miscellaneous | 349,914 | 182,247 | 92.0% | 3,211,159 | 2,859,534 | 12.3% |
| Redeposit of State Funds | \$7,999 | \$25,408 | -68.5% | \$321,549 | \$492,892 | -34.8% |

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