



Office of State Budget Director

200 Mero Street, 5th Floor
Frankfort, Kentucky 40622

(502) 564-7300

Internet: osbd.ky.gov

Andy Beshear
Governor

John Hicks
State Budget Director

Governor's Office for Policy and Management
Governor's Office for Economic Analysis
Governor's Office for Policy Research

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Contact: John Hicks
Greg Harkenrider
502-564-7300

GENERAL FUND AND ROAD FUND RECEIPTS
FOR OCTOBER 2023

General Fund receipts rose 1.9 percent; Up 5.6 percent year-to-date
Road Fund receipts increased 7.9 percent; Up 9.6 percent year-to-date

FRANKFORT, KY – (Friday November 10, 2023) - The Office of State Budget Director reported today that October's General Fund receipts rose 1.9 percent, or \$23.2 million, over last year's total. Revenues for the month were \$1,236.8 million compared to \$1,213.6 million collected in October 2022. October 2023 is the 14th consecutive month of General Fund receipts in excess of \$1 billion. Receipts have increased 5.6 percent for the first four months of the fiscal year and can decline 2.9 percent over the final eight months of FY24 to achieve the official revenue estimate of \$15,117.7 million.

Revenue growth in the sales and gross receipts, property taxes and nontax collections overcame declines in individual income tax revenues.

State Budget Director John Hicks remarked: "The changes Kentucky has made to the individual income tax continue to greatly influence monthly receipts patterns. Total income tax receipts fell \$49.8 million. Part of that decline was a drop-off in withholding receipts due to the tax rate reduction. Lower collections in net returns and declarations, associated with the refundable credit created by the pass-through entity tax, were a second reason. The sales tax grew by 9.0 percent in October – once again showing that the Kentucky consumer is confident in the direction of the economy."

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Among the major accounts,

- Sales and use tax receipts grew 9.0 percent in October and are up 6.3 percent for the year. Year-over-year sales tax collections have now risen for 18 consecutive months.
- Individual income tax collections fell 9.3 percent for the month but are up 4.5 percent for the year.
- Combined corporation income and LLET tax receipts declined 6.8 percent as an increase in LLET revenues were not enough to overcome a 34.1 percent drop in corporation income tax collections. Year-to-date, combined business tax receipts have decreased 4.6 percent.
- Property tax revenues grew 12.5 percent in October and are up 6.5 percent year-to-date. Due to the nature of property tax collections, there can be large month-to-month swings early in the collection cycle.
- Cigarette tax receipts fell 24.6 in October and are down 11.7 percent for the first four months of the fiscal year.
- Coal severance tax receipts were negative as several refunds were paid in the month of October, many of which were multi-period refunds bundled into a single request. Year-to-date receipts have declined 28.9 percent.
- Lottery revenues grew 12.4 percent to \$38.5 million in October and have increased 6.6 percent for the year.
- Nontax receipts were up \$35.0 million on the strength of income on investments, the Kentucky Lottery dividend payments, and miscellaneous revenues.

Road Fund receipts rose 7.9 percent in October as both motor fuels and motor vehicle usage tax receipts posted strong gains. Year-to-date collections have risen 9.6 percent compared to the previous year. Based on year-to-date collections, Road Fund receipts can fall 10.6 percent to meet the official FY24 revenue estimate of \$1,680.9 million. Motor fuels taxes rose 10.7 percent in October and are up 13.2 percent for the year. Motor vehicle usage tax collections grew 7.6 percent and have increased 4.4 percent through the first four months of the year. License and privilege revenues fell 5.9 percent in October but are up 4.3 percent for the year. Nontax receipts grew 65.3 percent, or \$1.1 million, for the month and have grown 70.9 percent for the year.

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TEAM
KENTUCKY

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

| | <u>OCTOBER</u> <u>2023</u> | <u>OCTOBER</u> <u>2022</u> | <u>% Change</u> | <u>JULY THROUGH OCTOBER</u> <u>FY 2024</u> | <u>FY 2023</u> | <u>% Change</u> |
|-------------------------------|-------------------------------|-------------------------------|-----------------|---|------------------------|-----------------|
| TOTAL GENERAL FUND | \$1,236,752,895 | \$1,213,558,640 | 1.9% | \$5,037,086,898 | \$4,770,149,661 | 5.6% |
| Tax Receipts | \$1,135,869,935 | \$1,147,622,761 | -1.0% | \$4,767,784,210 | \$4,594,284,166 | 3.8% |
| Sales and Gross Receipts | \$578,514,118 | \$531,417,094 | 8.9% | \$2,263,412,038 | \$2,143,734,010 | 5.6% |
| Beer Consumption | 540,844 | 497,707 | 8.7% | 2,218,942 | 2,271,879 | -2.3% |
| Beer Wholesale | 6,199,378 | 6,097,232 | 1.7% | 25,664,803 | 26,292,868 | -2.4% |
| Cigarette | 21,088,155 | 27,982,592 | -24.6% | 96,309,263 | 109,130,233 | -11.7% |
| Distilled Spirits Case Sales | 85,557 | 19,144 | 346.9% | 142,971 | 90,322 | 58.3% |
| Distilled Spirits Consumption | 2,178,787 | 1,587,205 | 37.3% | 6,011,542 | 6,345,954 | -5.3% |
| Distilled Spirits Wholesale | 9,071,124 | 6,367,413 | 42.5% | 24,188,156 | 24,250,657 | -0.3% |
| Insurance Premium | 18,481,545 | 11,610,255 | 59.2% | 62,918,102 | 57,827,378 | 8.8% |
| Pari-Mutuel | 2,571,184 | 4,174,016 | -38.4% | 10,276,368 | 11,265,101 | -8.8% |
| Race Track Admission | 0 | 0 | --- | 0 | 63,820 | -100.0% |
| Sales and Use | 502,623,020 | 461,257,848 | 9.0% | 1,976,048,551 | 1,858,380,872 | 6.3% |
| Wine Consumption | 332,019 | 260,977 | 27.2% | 982,789 | 1,024,757 | -4.1% |
| Wine Wholesale | 2,111,225 | 1,646,582 | 28.2% | 6,224,752 | 6,383,780 | -2.5% |
| Telecommunications Tax | 6,193,683 | 6,237,415 | -0.7% | 23,851,860 | 25,118,451 | -5.0% |
| Other Tobacco Products | 3,471,094 | 3,678,708 | -5.6% | 14,056,898 | 15,286,174 | -8.0% |
| Floor Stock Tax | 24 | 0 | --- | 945 | 1,765 | -46.4% |
| Car Rental & Ride Sharing | 3,566,481 | 0 | --- | 14,516,094 | 0 | --- |
| Natural Resources | \$2,703,078 | \$11,921,563 | -77.3% | \$35,214,097 | \$49,655,048 | -29.1% |
| Coal Severance | (988,750) | 8,357,152 | --- | 21,681,964 | 30,488,369 | -28.9% |
| Oil Production | 597,849 | 601,403 | -0.6% | 1,949,947 | 3,170,715 | -38.5% |
| Minerals Severance | 2,851,971 | 2,272,512 | 25.5% | 10,138,102 | 9,984,225 | 1.5% |
| Natural Gas Severance | 242,008 | 690,495 | -65.0% | 1,444,085 | 6,011,740 | -76.0% |
| Individual Income Tax | \$485,673,635 | \$535,441,075 | -9.3% | \$1,990,830,806 | \$1,904,348,650 | 4.5% |
| Withholding | 392,297,315 | 456,428,586 | -14.1% | 1,602,720,014 | 1,676,336,371 | -4.4% |
| Declarations | 9,531,564 | 17,002,096 | -43.9% | 105,179,163 | 160,144,984 | -34.3% |
| Net Returns | 18,058,719 | 60,617,195 | -70.2% | 33,289,528 | 67,490,367 | -50.7% |
| Fiduciary | (2,263,145) | 1,393,197 | -262.4% | (5,771,402) | 376,929 | -1631.2% |
| Pass-Through Entity Tax | 68,049,182 | 0 | --- | 255,413,502 | 0 | --- |
| Major Business Taxes | \$32,301,856 | \$34,641,081 | -6.8% | \$354,645,733 | \$371,819,848 | -4.6% |
| Corporation Income | 17,836,640 | 27,078,901 | -34.1% | 274,435,884 | 318,569,117 | -13.9% |
| LLET | 14,465,216 | 7,562,180 | 91.3% | 80,209,849 | 53,250,731 | 50.6% |
| Property | \$30,511,287 | \$27,111,088 | 12.5% | \$101,251,973 | \$95,090,747 | 6.5% |
| General - Real | 9,282,816 | 3,442,197 | 169.7% | 9,839,154 | 3,168,231 | 210.6% |
| General - Tangible | 5,301,998 | 8,620,389 | -38.5% | 18,333,137 | 17,674,635 | 3.7% |
| Tangible - Motor Vehicle | 13,846,578 | 12,006,054 | 15.3% | 58,285,099 | 57,330,703 | 1.7% |
| Omitted & Delinquent | (1,433,006) | (54,345) | --- | 2,527,771 | 104,945 | 2308.7% |
| Public Service | 2,444,295 | 2,989,987 | -18.3% | 10,280,329 | 14,658,548 | -29.9% |
| Other | 1,068,606 | 106,807 | 900.5% | 1,986,484 | 2,153,685 | -7.8% |
| Inheritance Tax | \$4,208,172 | \$5,102,072 | -17.5% | \$21,567,947 | \$28,537,516 | -24.4% |
| Miscellaneous | \$1,957,790 | \$1,988,788 | -1.6% | \$861,615 | \$1,098,347 | -21.6% |
| License and Privilege | \$112,712 | \$145,104 | -22.3% | 640,934 | 547,222 | 17.1% |
| Bank Franchise | (\$124,568) | \$80,918 | -253.9% | (866,359) | 76,438 | --- |
| Legal Process | 760,037 | 809,763 | -6.1% | 2,968,704 | 3,191,670 | -7.0% |
| T. V. A. In Lieu Payments | 1,209,609 | 953,003 | 26.9% | (1,881,663) | (2,738,142) | --- |
| Other | 0 | 0 | --- | 0 | 21,158 | -100.0% |
| Nontax Receipts | \$100,920,685 | \$65,932,403 | 53.1% | \$268,492,680 | \$175,523,256 | 53.0% |
| Departmental Fees | 1,013,545 | 791,364 | 28.1% | 4,156,004 | 4,460,071 | -6.8% |
| PSC Assessment Fee | 100 | 2,480 | -96.0% | 11,086,772 | 10,156,006 | 9.2% |
| Fines & Forfeitures | 2,699,519 | 1,520,634 | 77.5% | 8,050,302 | 6,374,264 | 26.3% |
| Income on Investments | 23,913,047 | 6,148,100 | 289.0% | 92,707,798 | 19,156,609 | 383.9% |
| Lottery | 38,548,869 | 34,290,883 | 12.4% | 116,548,869 | 109,290,883 | 6.6% |
| Miscellaneous | 34,745,605 | 23,178,942 | 49.9% | 35,942,934 | 26,085,424 | 37.8% |
| Redeposit of State Funds | (\$37,725) | \$3,477 | --- | \$810,009 | \$342,239 | 136.7% |

2. ROAD FUND REVENUE

| | <u>OCTOBER</u> <u>2023</u> | <u>OCTOBER</u> <u>2022</u> | <u>% Change</u> | <u>JULY THROUGH OCTOBER</u> <u>FY 2024</u> | <u>FY 2023</u> | <u>% Change</u> |
|------------------------------|---|---|------------------------|---|-----------------------|------------------------|
| TOTAL STATE ROAD FUND | \$151,912,265 | \$140,784,115 | 7.9% | \$617,551,687 | \$563,426,874 | 9.6% |
| Tax Receipts- | \$149,052,508 | \$139,049,299 | 7.2% | \$603,891,132 | \$556,115,927 | 8.6% |
| Sales and Gross Receipts | \$130,997,532 | \$119,865,094 | 9.3% | \$532,447,704 | \$487,645,550 | 9.2% |
| Motor Fuels Taxes | 72,270,391 | 65,310,050 | 10.7% | 300,393,895 | 265,452,432 | 13.2% |
| Motor Vehicle Usage | 58,727,141 | 54,555,044 | 7.6% | 232,053,809 | 222,193,118 | 4.4% |
| License and Privilege | \$18,054,976 | \$19,184,204 | -5.9% | \$71,443,428 | \$68,470,377 | 4.3% |
| Motor Vehicles | 5,980,698 | 6,437,864 | -7.1% | 26,652,280 | 28,507,617 | -6.5% |
| Motor Vehicle Operators | 2,694,677 | 2,491,209 | 8.2% | 11,057,426 | 5,035,496 | 119.6% |
| Weight Distance | 8,531,897 | 9,509,376 | -10.3% | 30,618,246 | 31,893,099 | -4.0% |
| Truck Decal Fees | 7,460 | 12,240 | -39.1% | 54,260 | 79,960 | -32.1% |
| Other Special Fees | 840,245 | 733,515 | 14.6% | 3,061,217 | 2,954,205 | 3.6% |
| Nontax Receipts | \$2,823,710 | \$1,708,011 | 65.3% | \$12,271,772 | \$7,180,664 | 70.9% |
| Departmental Fees | 1,501,889 | 1,440,893 | 4.2% | 6,584,418 | 8,545,303 | -22.9% |
| In Lieu of Traffic Fines | 11,955 | 30,360 | -60.6% | 57,015 | 147,045 | -61.2% |
| Income on Investments | 840,059 | 2,737 | 30597.6% | 3,747,009 | (2,795,841) | --- |
| Miscellaneous | 469,807 | 234,022 | 100.8% | 1,883,330 | 1,284,158 | 46.7% |
| Redeposit of State Funds | \$36,047 | \$26,805 | 34.5% | \$1,388,783 | \$130,282 | 966.0% |

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