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**GENERAL FUND AND ROAD FUND RECEIPTS
FOR JANUARY 2026**

General Fund receipts fell 3.7 percent, year-to-date down 1.1 percent
Road Fund receipts fell 0.5 percent, year-to-date up 0.1 percent

FRANKFORT, KY (Tuesday, February 10, 2026) - State Budget Director John Hicks reported today that January's General Fund receipts totaled \$1,358.5 million, a 3.7 percent decrease in collections compared to January 2025 totals. The official revenue forecast calls for General Fund revenues to decline by 1.3 percent in FY26. Based on year-to-date collections, revenues can fall 1.6 percent over the final five months of the fiscal year and meet the estimate.

Pertaining to January General Fund revenues, Hicks noted that "Total receipts in January were \$52.4 million less than what was collected in 2025. A significant decline of \$108.0 million in major business tax revenues was the primary reason. The prior year's January collections were inflated by approximately \$92 million in nonrecurring business tax payments. Individual income tax collections declined by only 2.3 percent despite a 12.5 percent reduction in the tax rate from 4 percent to 3.5 percent that became effective January 1, 2026. Among the other major accounts, sales and use taxes were up 3.5 percent and property tax revenues rose 39.2 percent. The large swing in property taxes was due to a timing issue of the receipt of \$29.1 million in the public service property tax in January instead of December."

Among the major accounts:

- Sales and use tax receipts were up 3.5 percent and have grown 5.0 through the first seven months of FY26. The \$624.3 million in sales tax collections for January 2026 eclipsed last year's record total of \$603.1 million. The last two Januarys have been the only two months on record with sales tax receipts over \$600 million.
- Combined corporation income and LLET tax receipts totaled \$24.5 million in January, a decrease of 81.5 percent. Last year's collections for the month were inflated by \$91.9 million in non-recurring money received in FY25 that has affected comparisons to FY26. Year-to-date collections in business taxes have fallen 46.6 percent, but the rate of change should improve in the remainder of the fiscal year.
- Individual income tax collections fell 2.3 percent for the month. Withholding receipts fell 8.7 percent as increasing wages and employment offset part of the 12.5 percent statutory rate reduction that took place on January 1, 2026. Declarations rose by 29.3 percent, but these estimated payments were for tax year 2025 and unaffected by the rate reduction.
- Property tax collections rose 39.2 percent in January to \$157.9 million. The period between November and February each fiscal year typically contain large monthly swings due to the timing and subsequent collection of the property tax bills, as well as bills under protest.
- Cigarette tax receipts grew 0.5 percent in January, the fourth consecutive monthly increase. Year-to-date revenues have increased 1.6 percent.
- Coal severance tax receipts had their third monthly increase this year, growing 24.2 percent. Year-to-date revenues in this account have fallen 3.8 percent.
- Income on investments of \$20.5 million was 18.2 percent lower than January 2025. Year-to-date revenue from investments has declined 20.8 percent.

Road Fund receipts declined 0.5 percent in January. Increases in the motor vehicle usage tax collections have partially or completely offset declines in motor fuels revenues. Receipts for the month were \$146.2 million and year-to-date collections have grown 0.1 percent. The official Road Fund revenue estimate calls for revenues to decline 1.0 percent for the fiscal year. Based on year-to-date tax collections, revenues can fall 2.6 percent for the remainder of the fiscal year to meet the official forecast.

Among the accounts, motor fuels collections fell 4.7 percent due to a drop in the tax rate while motor vehicle usage revenue rose 5.0 percent. License and privilege receipts rose 0.6 percent.

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KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	JANUARY 2026	JANUARY 2025	% Change	JULY THROUGH JANUARY FY 2026	FY 2025	% Change
TOTAL GENERAL FUND	\$1,358,529,147	\$1,410,963,997	-3.7%	\$9,183,798,018	\$9,288,425,721	-1.1%
Tax Receipts	\$1,303,727,620	\$1,358,856,451	-4.1%	\$8,690,168,069	\$8,797,366,914	-1.2%
Sales and Gross Receipts	\$680,407,881	\$658,601,811	3.3%	\$4,196,196,515	\$4,003,345,728	4.8%
Beer Consumption	435,420	435,708	-0.1%	3,299,725	2,397,305	37.6%
Beer Wholesale	5,837,821	5,806,993	0.5%	41,595,370	42,300,039	-1.7%
Cigarette	17,078,974	16,987,661	0.5%	146,708,655	144,460,393	1.6%
Distilled Spirits Case Sales	23,984	20,938	14.5%	144,444	140,147	3.1%
Distilled Spirits Consumption	1,943,583	1,747,870	11.2%	11,571,225	11,081,561	4.4%
Distilled Spirits Wholesale	7,873,624	7,227,006	8.9%	45,294,900	45,146,937	0.3%
Insurance Premium	420,359	150,650	179.0%	72,995,289	67,077,259	8.8%
Pari-Mutuel	6,237,808	7,059,186	-11.6%	46,025,930	39,134,432	17.6%
Race Track Admission	0	0	---	0	0	---
Sales and Use	624,256,141	603,144,721	3.5%	3,718,494,319	3,541,516,618	5.0%
Wine Consumption	316,626	321,275	-1.4%	1,659,636	1,771,367	-6.3%
Wine Wholesale	2,295,851	2,259,792	1.6%	11,684,618	11,991,028	-2.6%
Telecommunications Tax	7,173,068	6,992,745	2.6%	47,901,270	46,443,198	3.1%
Other Tobacco Products	2,854,690	3,084,723	-7.5%	20,326,144	24,082,815	-15.6%
Floor Stock Tax	49	48	1.9%	168	325	-48.4%
Car Rental & Ride Sharing	3,659,881	3,362,496	8.8%	28,494,823	25,802,305	10.4%
Natural Resources	\$7,434,244	\$6,509,361	14.2%	\$64,065,269	\$61,882,643	3.5%
Coal Severance	5,466,286	4,402,331	24.2%	37,745,093	39,244,425	-3.8%
Oil Production	198,541	595,642	-66.7%	2,459,609	3,481,811	-29.4%
Minerals Severance	1,555,684	1,275,669	22.0%	20,820,702	17,607,343	18.3%
Natural Gas Severance	213,732	235,720	-9.3%	3,039,865	1,549,065	96.2%
Individual Income Tax	\$429,036,171	\$439,177,687	-2.3%	\$3,096,626,795	\$2,893,164,717	7.0%
Withholding	278,300,505	304,830,287	-8.7%	2,611,476,270	2,504,592,990	4.3%
Declarations	95,339,721	73,719,971	29.3%	254,673,174	185,997,029	36.9%
Net Returns	7,919,101	9,293,264	-14.8%	6,594,105	(58,885,975)	---
Fiduciary	(726,217)	(6,345,982)	---	(5,076,563)	(13,497,884)	---
Pass-Through Entity Tax	48,203,061	57,680,146	-16.4%	228,959,808	274,958,557	-16.7%
Major Business Taxes	\$24,487,177	\$132,518,450	-81.5%	\$607,787,715	\$1,137,225,726	-46.6%
Corporation Income	8,227,356	122,542,915	-93.3%	328,349,174	1,029,458,876	-68.1%
LLET	16,259,822	9,975,535	63.0%	279,438,541	107,766,850	159.3%
Property	\$157,928,096	\$113,457,024	39.2%	\$667,563,368	\$646,768,089	3.2%
General - Real	80,671,653	75,116,389	7.4%	366,119,814	348,017,568	5.2%
General - Tangible	24,641,892	20,430,399	20.6%	127,030,473	125,364,455	1.3%
Tangible - Motor Vehicle	13,450,969	12,246,957	9.8%	100,864,597	101,065,359	-0.2%
Omitted & Delinquent	3,431,878	(1,202,538)	---	11,918,011	8,608,713	38.4%
Public Service	35,716,780	6,576,438	443.1%	57,568,907	60,127,617	-4.3%
Other	14,924	289,380	-94.8%	4,061,567	3,584,376	13.3%
Inheritance Tax	\$3,664,909	\$6,813,888	-46.2%	\$50,818,611	\$50,462,154	0.7%
Miscellaneous	\$769,142	\$1,778,229	-56.7%	\$7,109,796	\$4,517,856	57.4%
License and Privilege	\$16,227	\$194,157	-91.6%	989,242	1,205,341	-17.9%
Bank Franchise	\$0	(\$110,663)	---	(5,946)	(3,075,324)	---
Legal Process	752,916	697,156	8.0%	5,580,573	5,275,529	5.8%
T. V. A. In Lieu Payments	0	992,773	-100.0%	528,978	1,095,568	-51.7%
Other	0	4,807	-100.0%	16,949	16,742	1.2%
Nontax Receipts	\$56,879,683	\$51,907,229	9.6%	\$492,300,852	\$489,533,444	0.6%
Departmental Fees	1,084,546	1,016,733	6.7%	6,843,119	6,952,807	-1.6%
PSC Assessment Fee	258,231	1,126	22843.7%	14,677,562	10,902,518	34.6%
Fines & Forfeitures	1,603,367	1,362,091	17.7%	11,722,663	10,913,944	7.4%
Income on Investments	20,477,618	25,021,163	-18.2%	155,941,498	196,798,282	-20.8%
Lottery	30,000,000	29,000,000	3.4%	215,386,064	208,471,720	3.3%
Miscellaneous	3,455,921	(4,493,883)	---	87,729,945	55,494,172	58.1%
Redeposit of State Funds	(\$2,078,156)	\$200,317	---	\$1,329,097	\$1,525,363	-12.9%

2. ROAD FUND REVENUE

	<u>JANUARY</u> <u>2026</u>	<u>JANUARY</u> <u>2025</u>	<u>% Change</u>	<u>JULY THROUGH JANUARY</u> <u>FY 2026</u>	<u>FY 2025</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$146,158,574	\$146,900,770	-0.5%	\$1,066,408,448	\$1,065,423,452	0.1%
Tax Receipts-	\$143,247,221	\$143,425,034	-0.1%	\$1,041,545,602	\$1,035,015,544	0.6%
Sales and Gross Receipts	\$123,994,729	\$124,289,681	-0.2%	\$911,796,779	\$912,644,193	-0.1%
Motor Fuels Taxes	63,935,825	67,082,999	-4.7%	481,873,552	499,604,723	-3.5%
Motor Vehicle Usage	59,980,278	57,150,543	5.0%	429,454,891	412,716,762	4.1%
EV Charging Station Tax	78,627	56,140	40.1%	468,336	322,708	45.1%
License and Privilege	\$19,252,492	\$19,135,353	0.6%	\$129,748,823	\$122,371,351	6.0%
Motor Vehicles	5,828,335	6,190,430	-5.8%	48,382,149	42,633,754	13.5%
Motor Vehicle Operators	2,278,604	2,733,947	-16.7%	18,855,483	19,690,089	-4.2%
Weight Distance	9,898,205	9,040,995	9.5%	54,512,069	53,437,096	2.0%
Truck Decal Fees	8,280	11,880	-30.3%	66,160	82,260	-19.6%
Other Special Fees	1,239,068	1,158,100	7.0%	7,932,961	6,528,152	21.5%
Nontax Receipts	\$2,677,819	\$3,335,681	-19.7%	\$23,939,220	\$29,534,367	-18.9%
Departmental Fees	1,426,008	1,109,535	28.5%	13,709,931	13,736,784	-0.2%
In Lieu of Traffic Fines	16,260	11,310	43.8%	97,890	93,540	4.7%
Income on Investments	430,041	1,371,238	-68.6%	4,432,642	10,215,824	-56.6%
Miscellaneous	596,745	594,445	0.4%	4,370,776	3,240,285	34.9%
Hybrid/Electric Annual Fee	208,765	249,152	-16.2%	1,327,981	2,247,934	-40.9%
Redeposit of State Funds	\$233,535	\$140,056	66.7%	\$923,625	\$873,541	5.7%

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