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

General Fund receipts fell 0.6 percent, year-to-date down 1.1 percent
Road Fund receipts fell 11.3 percent, year-to-date down 1.3 percent

FRANKFORT, KY (Tuesday, March 10, 2026) - The Office of State Budget Director reported today that February's General Fund receipts declined 0.6 percent compared to February of last year. Collections for the month were \$970.8 million while General Fund revenues for February 2025 were \$977.1 million. Receipts have fallen 1.1 percent through the first eight months of FY26. The official CFG estimate calls for a 1.3 percent decline in revenues for the current fiscal year. To meet the official revenue estimate, receipts can decline 1.7 percent over the last four months of the fiscal year and still meet the estimate.

State Budget Director John Hicks remarked that "the withholding component of the individual income tax plus the sales tax combined to generate \$864.2 million of the \$970.8 million in General Fund revenue, or 89 percent of the February total. The withholding component fell by only 2.6 percent despite the 12.5 percent reduction in the income tax rate effective last month. That is due in part to the filing schedule for some businesses that results in a February deposit of some of their withholding taxes from December at the higher 4 percent tax rate. Income tax refund amounts and the number of returns requesting refunds in February were higher than last year. The sales tax continues to be stable, rising 3.3 percent in February and up 4.8 percent for the year."

Among the major accounts:

- Sales and use tax receipts rose 3.3 percent to \$376.3 million. Year-to-date growth in this account now stands at 4.8 percent.
- Combined corporation income and LLET tax receipts were \$39.5 million greater than what was collected last February. Corporation income tax collections accounted for almost all of the monthly increase. For the year, combined revenues dropped by 44.1 percent.
- Individual income tax collections experienced the largest percentage decrease this fiscal year, falling 9.8 percent or \$43.3 million. Withholding fell modestly and net returns dropped \$29.8 million. Income tax collections have grown 4.8 percent through the first eight months of the year.
- Property tax collections fell 4.7 percent for the month to \$36.7 million. For the year, revenues have increased 2.8 percent.
- Cigarette tax receipts fell 41.3 percent for the month, ending an unlikely pattern of four consecutive monthly increases. Year-to-date revenues have decreased 5.3 percent.
- Coal severance tax receipts totaled \$3.5 million in February and have increased 1.7 percent through the first eight months of the fiscal year.
- Income on investments dropped \$6.8 million, or 27.6 percent. Through the first eight months of FY26, income on investments has dipped 21.5 percent.

Road Fund receipts fell 11.3 percent in February as collections totaled \$131.5 million, the lowest monthly total in FY26. Total revenue has fallen 1.3 percent through the first eight months of FY26. Motor fuels collections fell 12.1 percent and motor vehicle usage tax receipts declined 7.5 percent. The official Road Fund revenue estimate call for revenues to decrease 1.0 percent for the fiscal year. Based on year-to-date tax collections, revenues can decline 0.6 percent for the remainder of the year and still meet the official estimate of \$1,844.0 million.

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TEAM
KENTUCKY

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	FEBRUARY 2026	FEBRUARY 2025	% Change	JULY THROUGH FY 2026	JULY THROUGH FY 2025	% Change
TOTAL GENERAL FUND	\$970,766,015	\$977,073,226	-0.6%	\$10,154,564,033	\$10,265,498,947	-1.1%
Tax Receipts	\$919,552,977	\$916,701,559	0.3%	\$9,609,721,045	\$9,714,068,473	-1.1%
Sales and Gross Receipts	\$457,533,745	\$453,281,380	0.9%	\$4,653,730,260	\$4,456,627,109	4.4%
Beer Consumption	342,935	376,957	-9.0%	3,642,660	2,774,261	31.3%
Beer Wholesale	4,322,341	4,420,519	-2.2%	45,917,711	46,720,558	-1.7%
Cigarette	16,192,777	27,591,004	-41.3%	162,901,432	172,051,396	-5.3%
Distilled Spirits Case Sales	9,973	17,199	-42.0%	154,417	157,346	-1.9%
Distilled Spirits Consumption	740,249	1,285,947	-42.4%	12,311,475	12,367,508	-0.5%
Distilled Spirits Wholesale	2,863,961	4,774,271	-40.0%	48,158,861	49,921,208	-3.5%
Insurance Premium	36,003,244	31,573,756	14.0%	108,998,532	98,651,015	10.5%
Pari-Mutuel	6,822,852	4,503,379	51.5%	52,848,782	43,637,811	21.1%
Race Track Admission	0	0	---	0	0	---
Sales and Use	376,293,512	364,288,605	3.3%	4,094,787,832	3,905,805,223	4.8%
Wine Consumption	178,431	202,345	-11.8%	1,838,066	1,973,713	-6.9%
Wine Wholesale	1,153,347	1,308,125	-11.8%	12,837,965	13,299,153	-3.5%
Telecommunications Tax	6,826,692	6,950,978	-1.8%	54,727,962	53,394,176	2.5%
Other Tobacco Products	2,594,645	3,021,829	-14.1%	22,920,788	27,104,644	-15.4%
Floor Stock Tax	25	(11)	---	193	314	-38.6%
Car Rental & Ride Sharing	3,188,760	2,966,478	7.5%	31,683,583	28,768,782	10.1%
Natural Resources	\$6,097,534	\$3,358,975	81.5%	\$70,162,803	\$65,241,619	7.5%
Coal Severance	3,547,143	1,375,713	157.8%	41,292,237	40,620,138	1.7%
Oil Production	283,035	117,030	141.8%	2,742,644	3,598,840	-23.8%
Minerals Severance	1,759,418	1,246,042	41.2%	22,580,119	18,853,385	19.8%
Natural Gas Severance	507,938	620,191	-18.1%	3,547,803	2,169,256	63.5%
Individual Income Tax	\$397,623,143	\$440,901,669	-9.8%	\$3,494,249,938	\$3,334,066,387	4.8%
Withholding	487,950,897	500,876,381	-2.6%	3,099,427,167	3,005,469,371	3.1%
Declarations	8,829,554	6,848,532	28.9%	263,502,729	192,845,562	36.6%
Net Returns	(104,328,917)	(74,551,446)	---	(97,734,812)	(133,437,422)	---
Fiduciary	(4,603,227)	(1,515,903)	---	(9,679,790)	(15,013,787)	---
Pass-Through Entity Tax	9,774,835	9,244,105	5.7%	238,734,643	284,202,663	-16.0%
Major Business Taxes	\$13,373,715	(\$26,120,259)	---	\$621,161,430	\$1,111,105,466	-44.1%
Corporation Income	11,477,988	(27,541,847)	---	339,827,162	1,001,917,030	-66.1%
LLET	1,895,727	1,421,587	33.4%	281,334,268	109,188,437	157.7%
Property	\$36,690,798	\$38,506,873	-4.7%	\$704,254,166	\$685,274,962	2.8%
General - Real	8,479,357	9,030,372	-6.1%	374,599,170	357,047,940	4.9%
General - Tangible	5,748,905	4,724,701	21.7%	132,779,378	130,089,157	2.1%
Tangible - Motor Vehicle	15,086,964	13,594,707	11.0%	115,951,561	114,660,066	1.1%
Omitted & Delinquent	3,680,179	2,718,330	35.4%	15,598,190	11,327,043	37.7%
Public Service	3,417,727	7,970,323	-57.1%	60,986,634	68,097,940	-10.4%
Other	277,666	468,440	-40.7%	4,339,233	4,052,816	7.1%
Inheritance Tax	\$6,270,569	\$4,869,692	28.8%	\$57,089,180	\$55,331,846	3.2%
Miscellaneous	\$1,963,473	\$1,903,228	3.2%	\$9,073,269	\$6,421,084	41.3%
License and Privilege	\$75,041	\$134,075	-44.0%	1,064,283	1,339,416	-20.5%
Bank Franchise	\$0	(\$5,900)	---	(5,946)	(3,081,224)	---
Legal Process	781,758	782,280	-0.1%	6,362,331	6,057,809	5.0%
T. V. A. In Lieu Payments	1,101,926	992,773	11.0%	1,630,905	2,088,340	-21.9%
Other	4,748	0	---	21,696	16,742	29.6%
Nontax Receipts	\$50,639,796	\$60,175,999	-15.8%	\$542,940,648	\$549,709,443	-1.2%
Departmental Fees	1,418,906	2,274,254	-37.6%	8,262,025	9,227,061	-10.5%
PSC Assessment Fee	0	500	-100.0%	14,677,562	10,903,018	34.6%
Fines & Forfeitures	1,578,712	1,547,366	2.0%	13,301,375	12,461,310	6.7%
Income on Investments	17,745,213	24,510,118	-27.6%	173,686,711	221,308,400	-21.5%
Lottery	29,500,000	28,500,000	3.5%	244,886,064	236,971,720	3.3%
Miscellaneous	396,965	3,343,761	-88.1%	88,126,910	58,837,933	49.8%
Redeposit of State Funds	\$573,242	\$195,669	193.0%	\$1,902,340	\$1,721,032	10.5%

2. ROAD FUND REVENUE

	<u>FEBRUARY</u> <u>2026</u>	<u>FEBRUARY</u> <u>2025</u>	<u>% Change</u>	<u>JULY THROUGH FEBRUARY</u> <u>FY 2026</u>	<u>FY 2025</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$131,481,460	\$148,257,217	-11.3%	\$1,197,889,908	\$1,213,680,669	-1.3%
Tax Receipts-	\$128,192,813	\$143,210,046	-10.5%	\$1,169,738,415	\$1,178,225,590	-0.7%
Sales and Gross Receipts	\$103,339,858	\$114,637,313	-9.9%	\$1,015,136,638	\$1,027,281,506	-1.2%
Motor Fuels Taxes	52,472,587	59,680,445	-12.1%	534,346,140	559,285,168	-4.5%
Motor Vehicle Usage	50,804,016	54,905,409	-7.5%	480,258,906	467,622,171	2.7%
EV Charging Station Tax	63,255	51,459	22.9%	531,592	374,167	42.1%
License and Privilege	\$24,852,955	\$28,572,733	-13.0%	\$154,601,778	\$150,944,084	2.4%
Motor Vehicles	10,762,422	13,686,633	-21.4%	59,144,571	56,320,387	5.0%
Motor Vehicle Operators	2,120,629	2,209,898	-4.0%	20,976,112	21,899,986	-4.2%
Weight Distance	10,987,722	11,679,523	-5.9%	65,499,791	65,116,619	0.6%
Truck Decal Fees	7,520	11,520	-34.7%	73,680	93,780	-21.4%
Other Special Fees	974,662	985,160	-1.1%	8,907,623	7,513,312	18.6%
Nontax Receipts	\$3,205,431	\$4,920,336	-34.9%	\$27,144,651	\$34,454,703	-21.2%
Departmental Fees	1,877,208	2,237,122	-16.1%	15,587,140	15,973,906	-2.4%
In Lieu of Traffic Fines	12,510	14,295	-12.5%	110,400	107,835	2.4%
Income on Investments	593,854	1,886,563	-68.5%	5,026,496	12,102,387	-58.5%
Miscellaneous	372,729	613,633	-39.3%	4,743,505	3,853,918	23.1%
Hybrid/Electric Annual Fee	349,129	168,723	106.9%	1,677,110	2,416,657	-30.6%
Redeposit of State Funds	\$83,216	\$126,835	-34.4%	\$1,006,842	\$1,000,376	0.6%

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