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

General Fund receipts declined 3.0 percent, year-to-date up 1.3 percent
Road Fund receipts declined 3.9 percent, year-to-date down 0.8 percent

FRANKFORT, KY (Wednesday, June 10, 2026) - The Office of State Budget Director reported today that May's General Fund receipts fell 3.0 percent. Total revenues for the month were \$1,163.9 million, compared to \$1,200.3 million during May 2025. Receipts have now grown 1.3 percent for the first eleven months of FY26. The official General Fund estimate is \$15,498.9 million, which is 1.3 percent less than what was collected last year. With one month remaining in the fiscal year, collections can decline 27.2 percent in June and still hit the estimate and can decline by 16.2 percent to avoid the forecasted \$156 million General Fund revenue shortfall.

State Budget Director John Hicks remarked that "Despite General Fund receipts falling 3.0 percent in May, receipts are on pace to exceed the official revenue estimate, in part due to 6.0 percent year-to-date growth in the sales and use tax. May's growth of 7.9 percent signals strength in the Kentucky economy, especially considering that the spike in gasoline prices has crowded out household income available for other purchases. Receipts from payroll withholding from the individual income tax are strong with just a 5.2 percent drop in collections while the tax rate dropped 12.5 percent from 4 percent to 3.5 percent in January, indicating that wage, salary, and employment growth have offset more than half of rate-lowering effect."

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Among the major accounts:

- Individual income tax collections were down 12.9 percent, or \$52.3 million. Of the major components of the tax, only estimated payments brought in more money than was collected last May. Receipts have now increased 5.1 percent through the first eleven months of FY26.
- Corporation income and the limited liability entity tax (LLET) receipts fell 20.2 percent in May and have declined 27.6 percent year-to-date. For the month, receipts were \$73.4 million.
- Sales and use tax receipts had one of the largest rates of growth this year, increasing 7.9 percent for the month. Year-to-date collections are up 6.0 percent.
- Property tax collections grew 2.8 percent in May on collections of \$33.7 million. Year-to-date receipts are up 0.6 percent.
- Cigarette tax receipts grew 16.5 percent in May and are up 2.2 percent year-to-date. Cigarette revenues are on pace to have their first annual increase since Fiscal Year 2020, due in large part to the rebalancing of cross-border sales as Indiana's cigarette tax increased from \$0.98 per pack to \$2.98 last July.
- Coal severance tax receipts fell 10.4 percent to \$4.1 million in May. Collections have increased 9.3 percent through the first eleven months of the fiscal year.
- Income on investments fell \$5.6 million, with \$18.6 million posted in May 2026 compared to \$24.2 million in May 2025.

Road Fund receipts fell 3.9 percent in May with collections of \$159.2 million. Year-to-date collections have decreased by 1.1 percent. The official Road Fund revenue estimate calls for a 1.0 percent decrease in revenues for the fiscal year. Based on year-to-date tax collections, revenues can fall 0.1 percent in June and still meet the estimate. Among the accounts, motor fuels revenue declined 0.7 percent, motor vehicle usage collections dropped 7.8 percent, and license and privilege revenues grew 7.0 percent.

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TEAM
KENTUCKY

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	<u>MAY</u> <u>2026</u>	<u>MAY</u> <u>2025</u>	<u>% Change</u>	<u>JULY THROUGH MAY</u> <u>FY 2026</u>	<u>JULY THROUGH MAY</u> <u>FY 2025</u>	<u>% Change</u>
TOTAL GENERAL FUND	\$1,163,859,019	\$1,200,292,346	-3.0%	\$14,460,297,746	\$14,275,971,520	1.3%
Tax Receipts	\$1,092,736,062	\$1,146,298,311	-4.7%	\$13,726,419,806	\$13,577,689,582	1.1%
Sales and Gross Receipts	\$615,437,470	\$600,378,230	2.5%	\$6,498,726,525	\$6,178,920,356	5.2%
Beer Consumption	518,273	472,318	9.7%	4,969,228	4,164,841	19.3%
Beer Wholesale	6,623,340	5,812,780	13.9%	61,871,492	62,134,936	-0.4%
Cigarette	19,168,838	16,458,002	16.5%	224,638,617	219,762,111	2.2%
Distilled Spirits Case Sales	22,003	20,062	9.7%	216,562	205,467	5.4%
Distilled Spirits Consumption	1,676,380	852,448	96.7%	17,381,879	15,681,306	10.8%
Distilled Spirits Wholesale	6,735,863	3,777,248	78.3%	67,017,052	63,164,737	6.1%
Insurance Premium	35,199,795	56,726,611	-37.9%	207,300,243	220,495,835	-6.0%
Pari-Mutuel	7,757,685	7,638,952	1.6%	74,755,073	67,627,845	10.5%
Race Track Admission	0	0	---	0	0	---
Sales and Use	521,376,414	483,037,393	7.9%	5,671,150,129	5,351,494,824	6.0%
Wine Consumption	230,306	112,031	105.6%	2,490,503	2,401,085	3.7%
Wine Wholesale	1,726,035	887,235	94.5%	17,596,852	16,249,676	8.3%
Telecommunications Tax	7,503,570	18,360,477	-59.1%	76,822,938	82,274,114	-6.6%
Other Tobacco Products	3,114,847	2,539,297	22.7%	31,524,148	34,670,094	-9.1%
Floor Stock Tax	25	0	---	726	311	133.5%
Car Rental & Ride Sharing	3,784,097	3,683,376	2.7%	40,991,084	38,593,175	6.2%
Natural Resources	\$9,302,060	\$8,288,153	12.2%	\$96,230,258	\$85,185,594	13.0%
Coal Severance	4,129,140	4,607,659	-10.4%	56,117,979	51,362,784	9.3%
Oil Production	835,216	433,658	92.6%	4,236,093	4,875,481	-13.1%
Minerals Severance	3,382,605	2,449,828	38.1%	29,710,560	24,845,599	19.6%
Natural Gas Severance	955,099	797,009	19.8%	6,165,627	4,101,731	50.3%
Individual Income Tax	\$354,208,230	\$406,495,848	-12.9%	\$5,055,978,271	\$4,811,197,960	5.1%
Withholding	354,140,510	373,555,816	-5.2%	4,214,230,030	4,171,515,971	1.0%
Declarations	8,254,955	(12,683,536)	---	363,218,366	276,774,863	31.2%
Net Returns	(17,429,975)	32,807,597	---	32,319,099	(94,544,914)	---
Fiduciary	14,209	(807,030)	---	(2,868,445)	(7,184,089)	---
Pass-Through Entity Tax	9,228,531	13,623,001	-32.3%	449,079,221	464,636,128	-3.3%
Major Business Taxes	\$73,363,222	\$91,893,851	-20.2%	\$1,154,069,930	\$1,594,962,340	-27.6%
Corporation Income	6,047,628	(178,159,376)	---	444,348,801	1,001,973,684	-55.7%
LLET	67,315,593	270,053,226	-75.1%	709,721,129	592,988,655	19.7%
Property	\$33,715,338	\$32,784,505	2.8%	\$828,592,829	\$823,955,010	0.6%
General - Real	3,341,848	3,400,201	-1.7%	384,438,620	368,454,509	4.3%
General - Tangible	3,504,023	4,580,222	-23.5%	143,304,008	150,589,883	-4.8%
Tangible - Motor Vehicle	21,512,881	21,196,696	1.5%	197,331,417	193,957,928	1.7%
Omitted & Delinquent	3,072,135	2,161,113	42.2%	12,855,614	19,376,854	-33.7%
Public Service	2,279,180	1,491,937	52.8%	85,615,694	87,087,863	-1.7%
Other	5,271	(45,664)	---	5,047,476	4,487,974	12.5%
Inheritance Tax	\$5,187,890	\$5,500,403	-5.7%	\$76,994,221	\$71,153,690	8.2%
Miscellaneous	\$1,521,852	\$957,320	59.0%	\$15,827,773	\$12,314,632	28.5%
License and Privilege	160,856	159,901	0.6%	1,497,166	1,771,439	-15.5%
Bank Franchise	0	(54,292)	---	(5,946)	(3,135,516)	---
Legal Process	1,360,996	851,712	59.8%	9,357,671	8,584,191	9.0%
T. V. A. In Lieu Payments	0	0	---	4,936,684	5,066,658	-2.6%
Other	0	0	---	42,199	27,859	51.5%
Nontax Receipts	\$71,049,864	\$53,907,835	31.8%	\$731,659,630	\$696,352,999	5.1%
Departmental Fees	3,452,978	3,171,423	8.9%	18,827,872	16,699,065	12.7%
PSC Assessment Fee	0	(50)	---	14,682,810	10,902,968	34.7%
Fines & Forfeitures	1,797,754	1,557,317	15.4%	18,969,484	18,454,525	2.8%
Income on Investments	18,580,471	24,152,770	-23.1%	225,067,043	295,659,905	-23.9%
Lottery	32,500,000	32,000,000	1.6%	342,386,064	332,971,720	2.8%
Miscellaneous	14,718,661	(6,973,625)	---	111,726,358	21,664,815	415.7%
Redeposit of State Funds	\$73,093	\$86,200	-15.2%	\$2,218,310	\$1,928,939	15.0%

2. ROAD FUND REVENUE

	<u>MAY</u> <u>2026</u>	<u>MAY</u> <u>2025</u>	<u>% Change</u>	<u>JULY THROUGH MAY</u> <u>FY 2026</u>	<u>FY 2025</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$159,223,723	\$165,630,465	-3.9%	\$1,679,163,699	\$1,698,496,121	-1.1%
Tax Receipts-	\$155,225,983	\$158,840,245	-2.3%	\$1,641,568,152	\$1,647,350,526	-0.4%
Sales and Gross Receipts	\$127,009,705	\$132,460,468	-4.1%	\$1,408,222,130	\$1,419,399,365	-0.8%
Motor Fuels Taxes	67,990,401	68,455,409	-0.7%	736,756,915	762,100,178	-3.3%
Motor Vehicle Usage	58,944,183	63,952,735	-7.8%	670,736,383	656,777,641	2.1%
EV Charging Station Tax	75,121	52,324	43.6%	728,832	521,545	39.7%
License and Privilege	\$28,216,278	\$26,379,778	7.0%	\$233,346,021	\$227,951,161	2.4%
Motor Vehicles	9,491,637	10,820,987	-12.3%	103,121,192	98,394,896	4.8%
Motor Vehicle Operators	2,511,389	3,138,393	-20.0%	28,682,109	30,582,514	-6.2%
Weight Distance	12,195,453	11,555,313	5.5%	86,652,318	85,881,883	0.9%
Truck Decal Fees	16,980	31,160	-45.5%	164,700	168,420	-2.2%
Other Special Fees	4,000,819	833,924	379.8%	14,725,703	12,923,448	13.9%
Nontax Receipts	\$3,972,001	\$4,372,938	-9.2%	\$36,574,830	\$47,678,014	-23.3%
Departmental Fees	2,337,839	2,672,111	-12.5%	20,845,069	21,558,945	-3.3%
In Lieu of Traffic Fines	13,545	16,470	-17.8%	154,575	150,555	2.7%
Income on Investments	673,821	1,076,851	-37.4%	6,511,837	16,839,630	-61.3%
Miscellaneous	666,422	448,531	48.6%	6,327,329	6,182,322	2.3%
Hybrid/Electric Annual Fee	280,374	158,976	76.4%	2,736,020	2,946,562	-7.1%
Redeposit of State Funds	\$25,739	\$2,417,282	-98.9%	\$1,020,718	\$3,467,581	-70.6%

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