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GENERAL FUND AND ROAD FUND RECEIPTS FOR JULY 2026

General Fund receipts increased 29.1 percent
Road Fund receipts declined 14.7 percent

FRANKFORT, KY (Monday, August 10, 2026) - The Office of State Budget Director reported today that General Fund receipts rose 29.1 percent in July to begin Fiscal Year 2027 (FY27). This is one of the highest monthly growth rates in four years. Total revenues for the month were $1,459.8 million, an increase of $328.7 million over July 2025 receipts.

The official revenue estimate for FY27 calls for revenue to decline 0.5 percent compared to FY26 actual receipts. Therefore, receipts can drop by 2.7 percent over the remaining eleven months of the fiscal year and still meet the General Fund revenue estimate.

State Budget Director John Hicks remarked that "General Fund revenues posted substantial gains from corporation income and sales tax accounts. Corporate income tax declaration payments were over $350 million more than in July 2025 due to a very small number of taxpayers' unusually large estimated payments. Sales tax receipts also showed well with a 9.5 percent increase over the prior year, continuing a recent trend over the last three months of 9.7 percent growth. Individual income tax receipts slipped 12.3 percent, affected by a 12.5 percent reduction in the tax rate, from 4.0 to 3.5 percent. Strong corporate taxes, coupled with a large increase in the sales tax, reflect conditions where businesses profits are high with a vibrant consumption sector of the economy."

Among the major accounts:

- Corporate income tax receipts of $331.0 million exceeded July 2025 collections by $339.7 million. This was the largest monthly receipts total in the 20 years since the corporate taxes underwent significant change.
- Individual income tax receipts fell 12.3 percent as the 2026 tax rate declined by 12.5 percent.
- Sales tax revenues followed up the 8.0 percent growth during the fourth quarter of FY26 with a 9.5 percent increase in July. The level of collections in July was the fourth largest monthly sales and use tax total ever recorded.
- Cigarette tax collections increased 19.5 percent for the month to $23.8 million.
- Property tax receipts rose 23.7 percent due primarily to the motor vehicle property tax account. Early in the fiscal year, it is common to see large percentage changes in property tax collections because of the collection schedule.
- Coal severance tax revenues grew by 6.6 percent to $6.3 million.
- Lottery revenues were even with the $26.5 million dividend payment received in FY26.

Road Fund revenues for July totaled $146.2 million, a 14.7 percent decline compared to last July. The official Road Fund revenue estimate for FY27 calls for revenue to increase 0.8 percent compared to FY26 actual receipts. Based on the first month's receipts, revenues must increase 4.3 percent for the rest of the fiscal year to meet the official estimate.

Among the major Road Fund categories:

- Motor fuels tax receipts dropped by $15.2 million, or 21.6 percent, in July due to lower tax rate in June of FY26.
- Motor vehicle usage tax receipts fell 10.5 percent.
- License and privilege taxes declined 2.8 percent despite motor vehicle licenses and permits rising 17.9 percent.

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TEAM KENTUCKY

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KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	JULY 2026	JULY 2025	% Change
TOTAL GENERAL FUND	**$1,459,762,618**	**$1,131,094,274**	**29.1%**
Tax Receipts	$1,395,880,110	$1,061,577,988	31.5%
Sales and Gross Receipts	$650,927,192	$583,632,852	11.5%
Beer Consumption	756,596	545,863	38.6%
Beer Wholesale	8,665,177	6,294,107	37.7%
Cigarette	23,825,075	19,938,236	19.5%
Distilled Spirits Case Sales	23,475	15,281	53.6%
Distilled Spirits Consumption	1,853,434	1,360,231	36.3%
Distilled Spirits Wholesale	7,284,004	5,112,287	42.5%
Insurance Premium	1,150,900	17,754	6382.3%
Pari-Mutuel	10,649,055	4,034,260	164.0%
Race Track Admission	110,000	0	---
Sales and Use	582,269,438	531,815,540	9.5%
Wine Consumption	224,915	119,216	88.7%
Wine Wholesale	1,510,366	792,179	90.7%
Telecommunications Tax	5,329,155	6,623,530	-19.5%
Other Tobacco Products	2,862,973	2,799,387	2.3%
Fantasy Sports Wagering	0	0	---
Car Rental & Ride Sharing	4,412,630	4,164,981	5.9%
Natural Resources	$10,357,246	$10,590,580	-2.2%
Coal Severance	6,317,644	5,927,605	6.6%
Oil Production	505,091	253,698	99.1%
Minerals Severance	3,095,418	3,516,035	-12.0%
Natural Gas Severance	439,093	893,242	-50.8%
Individual Income Tax	$341,027,687	$388,700,803	-12.3%
Withholding	330,690,486	379,779,998	-12.9%
Declarations	8,049,806	8,257,592	-2.5%
Net Returns	(3,803,657)	(6,980,260)	---
Fiduciary	(1,931,567)	126,159	---
Pass-Through Entity Tax	8,022,620	7,517,314	6.7%
Major Business Taxes	$367,585,450	$52,214,461	604.0%
Corporation Income	331,011,904	(8,672,379)	---
LLET	36,573,546	60,886,840	-39.9%
Property	$15,121,533	$12,219,684	23.7%
General - Real	12,318	(466,214)	---
General - Tangible	1,876,821	806,728	132.6%
Tangible - Motor Vehicle	19,065,125	15,927,997	19.7%
Omitted & Delinquent	(5,888,526)	(4,501,491)	---
Public Service	55,796	347,958	-84.0%
Other	0	104,707	-100.0%
Inheritance Tax	$8,775,465	$11,946,166	-26.5%
Miscellaneous	$2,085,537	$2,273,443	-8.3%
License and Privilege	$81,674	$299,460	-72.7%
Bank Franchise	$0	0	---
Legal Process	894,289	965,562	-7.4%
T. V. A. In Lieu Payments	1,101,926	992,773	11.0%
Other	7,647	15,648	-51.1%
Nontax Receipts	$63,796,876	$67,095,888	-4.9%
Departmental Fees	1,120,957	833,376	34.5%
PSC Assessment Fee	12,937,815	12,773,179	1.3%
Fines & Forfeitures	1,837,760	1,673,636	9.8%
Income on Investments	17,673,304	25,097,854	-29.6%
Lottery	26,500,000	26,500,000	0.0%
Miscellaneous	3,727,040	217,843	1610.9%
Redeposit of State Funds	$85,632	$2,420,397	-96.5%

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2. ROAD FUND REVENUE

	JULY 2026	JULY 2025	% Change
TOTAL STATE ROAD FUND	$146,219,901	$171,421,524	-14.7%
Tax Receipts-	$143,247,582	$166,572,301	-14.0%
Sales and Gross Receipts	$118,628,330	$141,250,929	-16.0%
Motor Fuels Taxes	55,278,595	70,472,314	-21.6%
Motor Vehicle Usage	63,259,059	70,716,040	-10.5%
EV Charging Station Tax	90,676	62,574	44.9%
License and Privilege	$24,619,252	$25,321,372	-2.8%
Motor Vehicles	12,132,110	10,287,330	17.9%
Motor Vehicle Operators	1,137,681	3,031,941	-62.5%
Weight Distance	10,475,643	11,113,731	-5.7%
Truck Decal Fees	6,840	7,560	-9.5%
Other Special Fees	866,979	880,810	-1.6%
Nontax Receipts	$2,968,628	$4,873,432	-39.1%
Departmental Fees	1,630,451	2,271,500	-28.2%
In Lieu of Traffic Fines	14,460	14,670	-1.4%
Income on Investments	371,493	815,339	-54.4%
Miscellaneous	466,209	1,570,860	-70.3%
Hybrid/Electric Annual Fee	486,014	201,063	141.7%
Redeposit of State Funds	$3,691	($24,209)	---

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