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**GENERAL FUND AND ROAD FUND RECEIPTS
FOR SEPTEMBER 2024**

General Fund receipts declined 2.8 percent, Year-to-Date up 1.3 percent
Road Fund receipts declined 0.4 percent, Year-to-Date up 3.6 percent

FRANKFORT, KY – (Thursday, October 10, 2024) - The Office of State Budget Director reported today that both General Fund and Road Fund receipts declined slightly in September 2024 compared to last year. The declines were highly affected by tax rate reductions. Total General Fund collections equaled \$1,527.0 million, a decline of 2.8 percent. Through the first three months of fiscal year 2025 (FY25), General Fund receipts have increased 1.3 percent.

The official revenue estimate for FY25 calls for General Fund revenues to essentially equal FY24 actual receipts, or no growth. Based on September's results, receipts can decline 0.4 percent for the remainder of the fiscal year and still meet the official estimate.

State Budget Director John Hicks remarked, "So far, through the first fiscal quarter, revenues remain on-target. The annualized effect of a second income tax rate reduction and the imposition of a new pass-through entity tax has resulted in some timing differences for estimated individual income tax payments and refunds. The payroll base for withholding receipts continues to show an underlying growth in Kentucky salaries and wages."

Among the major accounts:

- Individual income tax collections declined 18.4 percent. Withholding declined 9.3 percent due to an 11.1 percent reduction in the individual income tax rate, from 4.5 percent to 4.0 percent. Declarations and net returns received in September were down \$28 million while the pass-through entity tax payments were down \$53 million compared to what was received last September.
- Sales tax revenues grew 0.1 percent in September and have grown 1.3 percent for the first three months of the fiscal year.
- Corporation income tax and Limited Liability Entity tax receipts increased 21.9 percent compared to last September. Year-to-date receipts are 73.5 percent higher due to the large corporate income tax collection in July.
- Cigarette taxes declined by 2.9 percent and have declined 6.8 percent for the year.
- Property taxes increased by 5.8 percent in September and have increased by 11.1 percent for the fiscal year.
- Coal severance tax collections in September declined 44.5 percent to \$4.5 million and are down 27.5 percent through the first three months of the fiscal year.
- Lottery revenues rose 3.6 percent to \$29.0 million in September and are up 3.8 percent through the first three months of FY24.
- Income from investments grew \$6.7 million in September with total receipts of \$31.3 million.

Road Fund receipts for September totaled \$154.2 million, a decline of 0.4 percent from September 2023 levels. Through the first three months of the fiscal year, collections in this fund have grown 3.6 percent. The official Road Fund revenue estimate calls for a 2.6 percent decline in receipts for FY25. The expected decline is due to a statutory reduction in the motor fuels tax rate. The tax rate was reduced by 2.1 cents per gallon, a 7.6 percent decline for FY25. Based on year-to-date collections, revenues can fall 4.7 percent for the remainder of the fiscal year and still meet the official estimate.

Among the accounts:

- Motor fuels tax receipts fell 4.7 percent in September due to the reduction in the tax rate and have fallen 2.0 percent for the year.
- Motor vehicle usage collections grew 4.1 percent for the month and have grown 9.4 percent for the first three months of the fiscal year.
- License and privilege tax declined 7.3 percent in September and have declined 0.3 percent year-to-date.

KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

| | SEPTEMBER 2024 | SEPTEMBER 2023 | % Change | JULY THROUGH SEPTEMBER FY 2025 | JULY THROUGH SEPTEMBER FY 2024 | % Change |
|-------------------------------|------------------------|------------------------|--------------|-----------------------------------|-----------------------------------|--------------|
| TOTAL GENERAL FUND | \$1,527,022,324 | \$1,570,752,605 | -2.8% | \$3,849,614,558 | \$3,800,334,002 | 1.3% |
| Tax Receipts | \$1,465,384,275 | \$1,514,837,940 | -3.3% | \$3,647,699,375 | \$3,631,914,274 | 0.4% |
| Sales and Gross Receipts | \$587,474,812 | \$573,656,701 | 2.4% | \$1,716,586,815 | \$1,684,897,920 | 1.9% |
| Beer Consumption | 595,592 | 578,926 | 2.9% | 1,621,068 | 1,678,098 | -3.4% |
| Beer Wholesale | 6,840,683 | 6,523,418 | 4.9% | 19,414,978 | 19,465,425 | -0.3% |
| Cigarette | 24,310,549 | 25,025,034 | -2.9% | 70,123,416 | 75,221,108 | -6.8% |
| Distilled Spirits Case Sales | 19,034 | 13,260 | 43.5% | 60,385 | 57,415 | 5.2% |
| Distilled Spirits Consumption | 1,546,212 | 986,365 | 56.8% | 4,908,868 | 3,832,755 | 28.1% |
| Distilled Spirits Wholesale | 5,910,845 | 3,697,758 | 59.8% | 18,381,586 | 15,117,032 | 21.6% |
| Insurance Premium | 51,321,974 | 42,752,601 | 20.0% | 52,625,539 | 44,436,557 | 18.4% |
| Pari-Mutuel | 4,117,601 | 2,559,105 | 60.9% | 10,159,638 | 7,705,184 | 31.9% |
| Race Track Admission | 0 | 0 | --- | 0 | 0 | --- |
| Sales and Use | 477,417,221 | 476,776,745 | 0.1% | 1,492,258,331 | 1,473,425,531 | 1.3% |
| Wine Consumption | 231,764 | 163,566 | 41.7% | 703,885 | 650,771 | 8.2% |
| Wine Wholesale | 1,567,333 | 1,086,107 | 44.3% | 4,580,531 | 4,113,527 | 11.4% |
| Telecommunications Tax | 6,603,556 | 6,245,615 | 5.7% | 19,626,681 | 17,658,177 | 11.1% |
| Other Tobacco Products | 3,209,355 | 3,662,495 | -12.4% | 10,586,125 | 10,585,805 | 0.0% |
| Floor Stock Tax | 0 | 24 | -100.0% | 72 | 921 | -92.2% |
| Car Rental & Ride Sharing | 3,783,093 | 3,585,681 | 5.5% | 11,535,712 | 10,949,614 | 5.4% |
| Natural Resources | \$8,453,390 | \$11,451,140 | -26.2% | \$27,013,276 | \$32,511,020 | -16.9% |
| Coal Severance | 4,515,114 | 8,142,413 | -44.5% | 16,443,631 | 22,670,714 | -27.5% |
| Oil Production | 688,335 | 569,755 | 20.8% | 1,542,344 | 1,352,098 | 14.1% |
| Minerals Severance | 3,090,748 | 2,442,396 | 26.5% | 8,535,787 | 7,286,131 | 17.2% |
| Natural Gas Severance | 159,192 | 296,576 | -46.3% | 491,514 | 1,202,077 | -59.1% |
| Individual Income Tax | \$530,790,397 | \$650,082,752 | -18.4% | \$1,241,028,096 | \$1,505,157,171 | -17.5% |
| Withholding | 381,156,203 | 420,405,583 | -9.3% | 1,078,413,583 | 1,210,422,699 | -10.9% |
| Declarations | 61,494,803 | 78,765,952 | -21.9% | 74,190,635 | 95,647,599 | -22.4% |
| Net Returns | (5,512,531) | 5,385,282 | --- | (33,829,854) | 15,230,809 | --- |
| Fiduciary | 146,849 | (961,941) | --- | (1,229,348) | (3,508,257) | --- |
| Pass-Through Entity Tax | 93,505,072 | 146,487,877 | -36.2% | 123,483,079 | 187,364,320 | -34.1% |
| Major Business Taxes | \$299,965,131 | \$246,141,441 | 21.9% | \$559,388,430 | \$322,343,877 | 73.5% |
| Corporation Income | 270,476,201 | 206,191,154 | 31.2% | 523,162,414 | 256,599,244 | 103.9% |
| LLET | 29,488,930 | 39,950,287 | -26.2% | 36,226,015 | 65,744,633 | -44.9% |
| Property | \$35,328,681 | \$33,384,513 | 5.8% | \$78,561,847 | \$70,740,687 | 11.1% |
| General - Real | 12,056 | 144,138 | -91.6% | 239,619 | 556,338 | -56.9% |
| General - Tangible | 11,154,735 | 11,262,232 | -1.0% | 15,427,142 | 13,031,139 | 18.4% |
| Tangible - Motor Vehicle | 13,633,971 | 14,479,845 | -5.8% | 46,617,137 | 44,438,521 | 4.9% |
| Omitted & Delinquent | 2,105,458 | 1,204,383 | 74.8% | 5,543,570 | 3,960,777 | 40.0% |
| Public Service | 7,346,524 | 5,376,038 | 36.7% | 7,562,015 | 7,836,034 | -3.5% |
| Other | 1,075,936 | 917,877 | 17.2% | 3,172,364 | 917,877 | 245.6% |
| Inheritance Tax | \$7,595,884 | \$4,258,441 | 78.4% | \$25,536,763 | \$17,359,775 | 47.1% |
| Miscellaneous | (\$4,224,019) | (\$4,137,048) | --- | (\$415,851) | (\$1,096,175) | --- |
| License and Privilege | \$149,947 | \$131,117 | 14.4% | 515,939 | 528,222 | -2.3% |
| Bank Franchise | (\$218,273) | \$0 | --- | (189,319) | (741,792) | --- |
| Legal Process | 874,987 | 762,259 | 14.8% | 2,343,202 | 2,208,667 | 6.1% |
| T. V. A. In Lieu Payments | (5,030,680) | (5,030,424) | --- | (3,092,040) | (3,091,272) | --- |
| Other | 0 | 0 | --- | 6,368 | 0 | --- |
| Nontax Receipts | \$61,073,251 | \$55,776,545 | 9.5% | \$200,956,074 | \$167,571,995 | 19.9% |
| Departmental Fees | 1,246,419 | 1,419,359 | -12.2% | 3,271,241 | 3,142,459 | 4.1% |
| PSC Assessment Fee | 1,038 | 2,552 | -59.3% | 10,875,624 | 11,086,672 | -1.9% |
| Fines & Forfeitures | 1,724,068 | 2,175,248 | -20.7% | 4,897,395 | 5,350,783 | -8.5% |
| Income on Investments | 31,269,067 | 24,521,962 | 27.5% | 102,167,158 | 68,794,752 | 48.5% |
| Lottery | 29,000,000 | 28,000,000 | 3.6% | 81,000,000 | 78,000,000 | 3.8% |
| Miscellaneous | (2,167,341) | (342,576) | --- | (1,255,345) | 1,197,329 | --- |
| Redeposit of State Funds | \$564,798 | \$138,120 | 308.9% | \$959,110 | \$847,733 | 13.1% |

2. ROAD FUND REVENUE

| | <u>SEPTEMBER</u> <u>2024</u> | <u>SEPTEMBER</u> <u>2023</u> | <u>% Change</u> | <u>JULY THROUGH SEPTEMBER</u> <u>FY 2025</u> | <u>FY 2024</u> | <u>% Change</u> |
|------------------------------|---|---|------------------------|---|-----------------------|------------------------|
| TOTAL STATE ROAD FUND | \$154,161,658 | \$154,828,251 | -0.4% | \$482,268,721 | \$465,565,841 | 3.6% |
| Tax Receipts- | \$149,492,381 | \$151,865,193 | -1.6% | \$466,362,740 | \$454,765,043 | 2.6% |
| Sales and Gross Receipts | \$139,625,272 | \$141,225,760 | -1.1% | \$413,152,555 | \$401,376,591 | 2.9% |
| Motor Fuels Taxes | 80,203,052 | 84,196,529 | -4.7% | 223,436,353 | 228,049,923 | -2.0% |
| Motor Vehicle Usage | 59,378,364 | 57,029,232 | 4.1% | 189,587,182 | 173,326,668 | 9.4% |
| EV Charging Station Tax | 43,856 | 0 | --- | 129,019 | 0 | --- |
| License and Privilege | \$9,867,109 | \$10,639,433 | -7.3% | \$53,210,185 | \$53,388,452 | -0.3% |
| Motor Vehicles | 5,632,779 | 6,666,037 | -15.5% | 19,766,564 | 20,671,582 | -4.4% |
| Motor Vehicle Operators | 3,017,636 | 2,914,587 | 3.5% | 8,696,335 | 8,362,749 | 4.0% |
| Weight Distance | 459,709 | 313,138 | 46.8% | 22,342,071 | 22,086,349 | 1.2% |
| Truck Decal Fees | 20,280 | 14,760 | 37.4% | 44,940 | 46,800 | -4.0% |
| Other Special Fees | 736,705 | 730,912 | 0.8% | 2,360,275 | 2,220,972 | 6.3% |
| Nontax Receipts | \$4,425,899 | \$2,959,291 | 49.6% | \$15,576,507 | \$9,448,062 | 64.9% |
| Departmental Fees | 2,140,031 | 1,876,488 | 14.0% | 7,279,110 | 5,082,529 | 43.2% |
| In Lieu of Traffic Fines | 12,720 | 12,900 | -1.4% | 43,440 | 45,060 | -3.6% |
| Income on Investments | 1,666,649 | 649,504 | 156.6% | 5,975,044 | 2,906,950 | 105.5% |
| Miscellaneous | 261,379 | 420,399 | -37.8% | 1,249,433 | 1,413,523 | -11.6% |
| Hybrid/Electric Annual Fee | 345,120 | 0 | --- | 1,029,480 | 0 | --- |
| Redeposit of State Funds | \$243,378 | \$3,767 | 6360.7% | \$329,474 | \$1,352,736 | -75.6% |

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