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GENERAL FUND AND ROAD FUND RECEIPTS
FOR OCTOBER 2024

General Fund receipts fell 3.9 percent, Year-to-Date even with FY24
Road Fund receipts fell 1.1 percent, Year-to-Date up 2.4 percent

FRANKFORT, KY – (Tuesday, November 12, 2024) - State Budget Director John Hicks reported today that October's General Fund receipts declined 3.9 percent, or \$48.8 million, compared to last year's total. Revenues for the month were \$1,187.9 million compared to \$1,236.8 million collected in October 2023. Receipts are flat for the first four months of the fiscal year and can remain unchanged from FY24 levels over the final eight months of FY25 to achieve the official revenue estimate of \$15,572.9 million.

The major business taxes were a bright spot this month. Revenues from the corporation income and limited liability entity taxes grew by more than \$80 million compared to last October. Individual income tax receipts declined, in part due to the 11 percent reduction in the income tax rate from 4.5 to 4.0 percent and refunds associated with last fiscal year's pass-through entity tax payments. Sales and use tax collections were \$32 million below prior year levels. Part of the decline was due to tax increment financing and tourism project refunds that were higher than last year's amounts.

State Budget Director John Hicks remarked, "While overall revenues are in line with expectations, the sales tax and individual income tax are slightly below their targets and major business taxes are ahead of the forecasted mark. Strength in the major business taxes reflects the favorable business climate in Kentucky and opportunities for profitable commerce. The wages and salaries base for withholding receipts continues to reflect underlying strength in Kentucky labor markets."

Among the major accounts:

- Sales and use tax receipts fell 6.4 percent in October and are down 0.7 percent for the fiscal year. Part of the October decline was attributable to timing issues with the issuance of sales tax refunds for tourism projects and tax increment financing agreements.
- Individual income tax collections fell 21.1 percent for the month due to a lower tax rate and refunds from last year's pass-through entity tax. Revenue from three of the four major components fell in October with declaration payments being the lone account to show growth. Pass-through entity tax revenue fell by \$46.8 million; withholding was down \$31.6 million and net returns declined by \$28.3 million. Year-to-date collections have fallen 18.4 percent.
- Combined corporation income and LLET tax receipts grew sharply on the strength of estimated payments. Revenues between the two taxes were \$81.1 million more than what was received last October. Through the first four months of the fiscal year, the combined receipts have grown 89.7 percent.
- Property tax revenues grew 27.5 percent in October and are up 16.0 percent year-to-date. Due to the nature of property tax collections, there can be large month-to-month swings early in the collection cycle so not much should be read into a single month's receipts.
- Cigarette tax receipts fell 11.1 percent in October and are down 7.7 percent for the first four months of the fiscal year.
- Coal severance tax receipts were \$3.4 million in October. Year-to-date receipts have declined 8.4 percent.
- Lottery revenues grew 3.7 percent to \$40.0 million in October and have increased 3.8 percent for the year.

Road Fund revenues declined by 1.1 percent in October with year-to-date collections up by 2.4 percent compared to last year. The decline in motor fuels taxes follows a 7.6 percent reduction in the tax rate. Motor vehicle usage tax receipts continue strong growth, rising 7.0 percent in October and 8.8 percent year-to-date. Based on year-to-date total collections, Road Fund receipts can fall 5.1 percent to meet the official FY25 revenue estimate of \$1,825.0 million.

Among the major accounts:

- Motor fuels taxes fell 10.0 percent and are down 3.9 percent for the year.
- Motor vehicle usage tax collections grew 7.0 percent and have increased 8.8 percent through the first four months of the year.
- License and privilege revenues rose 8.9 percent in October and are up 2.0 percent for the year.
- Nontax receipts fell 16.1 percent for the month but have grown 46.2 percent for the year.



KENTUCKY STATE GOVERNMENT REVENUE
1. GENERAL FUND REVENUE

	OCTOBER 2024	OCTOBER 2023	% Change	JULY THROUGH OCTOBER FY 2025	JULY THROUGH OCTOBER FY 2024	% Change
TOTAL GENERAL FUND	\$1,187,942,620	\$1,236,752,895	-3.9%	\$5,037,557,178	\$5,037,086,898	0.0%
Tax Receipts	\$1,087,105,626	\$1,135,869,935	-4.3%	\$4,734,805,001	\$4,767,784,210	-0.7%
Sales and Gross Receipts	\$537,068,480	\$578,514,118	-7.2%	\$2,253,655,296	\$2,263,412,038	-0.4%
Beer Consumption	432,984	540,844	-19.9%	2,054,052	2,218,942	-7.4%
Beer Wholesale	5,551,791	6,199,378	-10.4%	24,966,769	25,664,803	-2.7%
Cigarette	18,754,966	21,088,155	-11.1%	88,878,382	96,309,263	-7.7%
Distilled Spirits Case Sales	18,105	85,557	-78.8%	78,491	142,971	-45.1%
Distilled Spirits Consumption	1,343,827	2,178,787	-38.3%	6,252,694	6,011,542	4.0%
Distilled Spirits Wholesale	5,931,118	9,071,124	-34.6%	24,312,704	24,188,156	0.5%
Insurance Premium	13,764,045	18,481,545	-25.5%	66,389,584	62,918,102	5.5%
Pari-Mutuel	5,603,809	2,571,184	117.9%	15,763,447	10,276,368	53.4%
Race Track Admission	0	0	---	0	0	---
Sales and Use	470,615,722	502,623,020	-6.4%	1,962,874,052	1,976,048,551	-0.7%
Wine Consumption	224,292	332,019	-32.4%	928,177	982,789	-5.6%
Wine Wholesale	1,508,987	2,111,225	-28.5%	6,089,518	6,224,752	-2.2%
Telecommunications Tax	6,483,285	6,193,683	4.7%	26,109,966	23,851,860	9.5%
Other Tobacco Products	3,205,513	3,471,094	-7.7%	13,791,638	14,056,898	-1.9%
Floor Stock Tax	58	24	141.5%	130	945	-86.2%
Car Rental & Ride Sharing	3,629,979	3,566,481	1.8%	15,165,691	14,516,094	4.5%
Natural Resources	\$6,879,061	\$2,703,078	154.5%	\$33,892,337	\$35,214,097	-3.8%
Coal Severance	3,413,694	(988,750)	---	19,857,325	21,681,964	-8.4%
Oil Production	484,406	597,849	-19.0%	2,026,750	1,949,947	3.9%
Minerals Severance	2,730,213	2,851,971	-4.3%	11,266,000	10,138,102	11.1%
Natural Gas Severance	250,749	242,008	3.6%	742,262	1,444,085	-48.6%
Individual Income Tax	\$383,351,675	\$485,673,635	-21.1%	\$1,624,379,771	\$1,990,830,806	-18.4%
Withholding	360,702,238	392,297,315	-8.1%	1,439,115,821	1,602,720,014	-10.2%
Declarations	12,177,527	9,531,564	27.8%	86,368,162	105,179,163	-17.9%
Net Returns	(10,250,129)	18,058,719	---	(44,079,984)	33,289,528	---
Fiduciary	(502,628)	(2,263,145)	---	(1,731,976)	(5,771,402)	---
Pass-Through Entity Tax	21,224,667	68,049,182	-68.8%	144,707,746	255,413,502	-43.3%
Major Business Taxes	\$113,434,611	\$32,301,856	251.2%	\$672,823,041	\$354,645,733	89.7%
Corporation Income	101,057,272	17,836,640	466.6%	624,219,687	274,435,884	127.5%
LLET	12,377,339	14,465,216	-14.4%	48,603,355	80,209,849	-39.4%
Property	\$38,891,311	\$30,511,287	27.5%	\$117,453,159	\$101,251,973	16.0%
General - Real	9,694,161	9,282,816	4.4%	9,933,781	9,839,154	1.0%
General - Tangible	5,170,591	5,301,998	-2.5%	20,597,732	18,333,137	12.4%
Tangible - Motor Vehicle	14,985,346	13,846,578	8.2%	61,602,483	58,285,099	5.7%
Omitted & Delinquent	(4,545,475)	(1,433,006)	---	998,094	2,527,771	-60.5%
Public Service	13,385,265	2,444,295	447.6%	20,947,280	10,280,329	103.8%
Other	201,424	1,068,606	-81.2%	3,373,788	1,986,484	69.8%
Inheritance Tax	\$6,342,207	\$4,208,172	50.7%	\$31,878,969	\$21,567,947	47.8%
Miscellaneous	\$1,138,280	\$1,957,790	-41.9%	\$722,429	\$861,615	-16.2%
License and Privilege	\$174,094	\$112,712	54.5%	690,033	640,934	7.7%
Bank Franchise	(\$916,629)	(\$124,568)	---	(1,105,949)	(866,359)	---
Legal Process	671,525	760,037	-11.6%	3,014,727	2,968,704	1.6%
T. V. A. In Lieu Payments	1,209,291	1,209,609	0.0%	(1,882,750)	(1,881,663)	---
Other	0	0	---	6,368	0	---
Nontax Receipts	\$100,652,037	\$100,920,685	-0.3%	\$301,608,111	\$268,492,680	12.3%
Departmental Fees	1,799,308	1,013,545	77.5%	5,070,549	4,156,004	22.0%
PSC Assessment Fee	5,904	100	5804.3%	10,881,529	11,086,772	-1.9%
Fines & Forfeitures	1,507,347	2,699,519	-44.2%	6,404,742	8,050,302	-20.4%
Income on Investments	21,770,730	23,913,047	-9.0%	123,937,888	92,707,798	33.7%
Lottery	39,971,720	38,548,869	3.7%	120,971,720	116,548,869	3.8%
Miscellaneous	35,597,028	34,745,605	2.5%	34,341,684	35,942,934	-4.5%
Redeposit of State Funds	\$184,956	(\$37,725)	---	\$1,144,066	\$810,009	41.2%

2. ROAD FUND REVENUE

	<u>OCTOBER</u> <u>2024</u>	<u>OCTOBER</u> <u>2023</u>	<u>% Change</u>	<u>JULY THROUGH OCTOBER</u> <u>FY 2025</u>	<u>FY 2024</u>	<u>% Change</u>
TOTAL STATE ROAD FUND	\$150,316,422	\$151,912,265	-1.1%	\$632,585,143	\$617,478,106	2.4%
Tax Receipts-	\$147,609,672	\$149,052,508	-1.0%	\$613,972,412	\$603,817,551	1.7%
Sales and Gross Receipts	\$127,943,660	\$130,997,532	-2.3%	\$541,096,214	\$532,374,123	1.6%
Motor Fuels Taxes	65,054,698	72,270,391	-10.0%	288,491,051	300,320,314	-3.9%
Motor Vehicle Usage	62,846,970	58,727,141	7.0%	252,434,152	232,053,809	8.8%
EV Charging Station Tax	41,992	0	---	171,011	0	---
License and Privilege	\$19,666,013	\$18,054,976	8.9%	\$72,876,198	\$71,443,428	2.0%
Motor Vehicles	6,226,120	5,980,698	4.1%	25,992,684	26,652,280	-2.5%
Motor Vehicle Operators	2,657,698	2,694,677	-1.4%	11,354,033	11,057,426	2.7%
Weight Distance	9,933,535	8,531,897	16.4%	32,275,606	30,618,246	5.4%
Truck Decal Fees	7,920	7,460	6.2%	52,860	54,260	-2.6%
Other Special Fees	840,740	840,245	0.1%	3,201,015	3,061,217	4.6%
Nontax Receipts	\$2,367,819	\$2,823,710	-16.1%	\$17,944,326	\$12,271,772	46.2%
Departmental Fees	1,147,711	1,501,889	-23.6%	8,426,821	6,584,418	28.0%
In Lieu of Traffic Fines	14,745	11,955	23.3%	58,185	57,015	2.1%
Income on Investments	268,168	840,059	-68.1%	6,243,213	3,747,009	---
Miscellaneous	587,872	469,807	25.1%	1,837,305	1,883,330	-2.4%
Hybrid/Electric Annual Fee	349,322	0	---	1,378,802	0	---
Redeposit of State Funds	\$338,931	\$36,047	840.3%	\$668,405	\$1,388,783	-51.9%

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