

KANSAS LEGISLATIVE RESEARCH DEPARTMENT

68-West-Statehouse, 300 SW 10th Ave.
Topeka, Kansas 66612-1504
(785) 296-3181 □ FAX (785) 296-3824

kslegres@klrd.ks.gov

<http://www.kslegislature.org/klrd>

November 17, 2017

To: Legislative Coordinating Council and Governor Sam Brownback

From: Kansas Legislative Research Department and Kansas Division of the Budget

Re: State General Fund Receipts Estimates for FY 2018 and FY 2019

Estimates for the State General Fund (SGF) are developed using a consensus process that involves the Legislative Research Department, Division of the Budget, Department of Revenue, and consulting economists from state universities. This estimate is the base from which the Governor and the Legislature build the annual budget. The Consensus Group met on November 2, 2017, to revise the estimates for both FY 2018 and FY 2019. For both fiscal years, the previous estimates were made in April and subsequently adjusted for legislation enacted during the veto session.

The overall estimate for FY 2018 and FY 2019 was increased by a combined \$229.5 million. The estimate for total taxes was increased by \$224.7 million, and other revenues were increased by \$4.9 million for the two years combined.

For FY 2018, the estimate was increased by \$108.3 million, or 1.6 percent, above the previous estimate. The estimate for total taxes was increased by \$102.4 million, while the estimate for other revenues was increased \$5.9 million. The overall revised estimate of \$6.814 billion is 7.5 percent above final FY 2017 receipts.

The revised estimate for FY 2019 is \$6.783 billion, which is \$121.2 million, or 1.8 percent, above the previous estimate. The estimate for total taxes was increased by \$122.3 million, while the estimate for other revenues was decreased by \$1.1 million. The revised forecast for FY 2019 represents an 0.4 percent decrease below the newly revised FY 2018 figure.

Table 1 compares the revised estimates for FY 2018 and FY 2019 with actual receipts from FY 2017. Table 2 shows the changes within the FY 2018 estimate, and Table 3 shows the changes within the FY 2019 estimate.

Economic Forecast for Kansas

Several major economic variables and indicators have been adjusted downward since the Consensus Group last convened in April, especially Gross State Product (GSP) and Kansas Personal Income (KPI). The estimated rate of expansion in the nation's economy has increased slightly, but the forecasted growth in the Kansas economy has been reduced. Real U.S. Gross Domestic Product (GDP) is now expected to grow by 2.1 percent in 2017, up from the previous

forecast of 1.8 percent growth, while real Kansas GSP growth for 2017 has been reduced from 1.8 to 0.2 percent. Forecasted growth in U.S. real GDP for calendar year (CY) 2018 is now estimated at 2.5 percent in comparison to forecasted real growth of 1.5 percent in the state's economy.

Personal Income

The previous 4.0 percent growth estimate for CY 2017 KPI has now been reduced to 1.5 percent, and estimated CY 2018 KPI growth has been reduced from 4.1 to 3.1 percent. The latest national estimates call for U.S. personal income (USPI) growth of 4.0 percent in CY 2017 and 4.3 percent in CY 2018, with both estimates unchanged since April.

Employment

The Kansas Department of Labor reports employment has remained stagnant since early 2015. The most recent monthly data show that total Kansas private sector employment from September 2016 to September 2017 had decreased by 2,900 jobs, while public sector jobs decreased by 900 jobs. Sectors with largest amount of job losses over the last year include trade, transportation, and utilities. Real hourly earnings in Kansas increased by 0.2 percent over the same 12-month period, while real hourly earnings were up by 0.7 percent at the national level. The overall Kansas labor force did increase by 0.6 percent from September 2016 to September 2017. Very modest, but geographically uneven growth in employment is expected to occur in the Wichita area, where labor markets remain tight, through 2018. The state unemployment forecast now calls for a rate of 3.7 percent in CY 2017 before increasing to 3.8 percent in 2018 and 4.1 percent in 2019.

Agriculture

Net farm income from grain and livestock is predicted to decline in 2017 and with only normal yields predicted for the dominate crops in Kansas, the value of production is forecast to be at its lowest level since 2009. Only modest increases in commodity prices are expected over the forecast period. Data from the Kansas Farm Management Association (KFMA) associated with Kansas State University show lower net farm income in 2017 compared to 2016 and predicts that only moderate net income increases through 2020. There continues to be pressure on farm finances with rising debt/asset ratios, higher costs of production, and lower prices have significantly affected farmers' ability to repay debt.

Oil and Gas

Oil and natural gas prices have declined significantly since FY 2014, as has production of both commodities. Oil production, which was over 49.4 million barrels as recently as FY 2015, is now expected to be only 33.0 million barrels by the end of the forecast period. The forecasted price per taxable barrel of Kansas crude is now \$42 for FY 2018 and \$41 for FY 2019. For perspective, the final actual price as recently as FY 2014 was \$93.79 per barrel. Gas production, which was 297.3 million Mcf in FY 2015, is now expected to be only 185.0 million Mcf by FY 2019 as production from the Hugoton Field continues to decline.

Inflation Rate

The Consumer Price Index for All Urban Consumers (CPI-U) is expected to increase by 1.9 percent in both 2017 and 2018, which is slightly lower than the 2.1 percent estimated for both years in April.

Interest Rates

The Pooled Money Investment Board (PMIB) is authorized to make investments in U.S. Treasury and Agency securities, highly rated commercial paper and corporate bonds, repurchase agreements, and certificates of deposit in Kansas banks. Low idle-fund balances in recent years have required the PMIB to maintain a highly liquid portfolio, which reduces the amount of return available to the pool. The state is expected to earn 1.12 percent on its SGF portfolio for FY 2018 and 1.20 percent for FY 2019 (compared with a 4.26 percent rate as recently as FY 2008).

ECONOMIC FORECASTS

	<u>CY 2017*</u>	<u>CY 2018*</u>
U.S. Real GDP Growth	2.1%	2.5%
Kansas Real GSP Growth	0.2	1.5
USPI Growth	4.0	4.3
KPI Growth	1.5	3.1
Inflation (CPI-U)	1.9	1.9
Corporate Profits Before Tax	4.0	4.0
U.S. Unemployment Rate	4.3	4.1
Kansas Unemployment Rate	3.7	3.8

* Estimated

OIL AND GAS

	<u>FY 2017</u>	<u>FY 2018*</u>	<u>FY 2019*</u>
Oil Price per barrel	\$ 43.93	\$ 42.00	\$ 41.00
Gross Oil Production (000)	36,783	35,000	33,000
Gas Price per Mcf	\$ 2.23	\$ 2.50	\$ 2.35
Gross Gas Production (000)	235,797	210,000	185,000

* Estimated

State General Fund Receipts Estimates

Each individual SGF source was reevaluated independently, and consideration was given to revised and updated economic forecasts, collection information from the departments of Revenue and Insurance, and year-to-date receipts. The growth rates of the four highest-generating revenue sources indicate slow receipt growth over the forecast period:

GROWTH RATES OF KEY REVENUE SOURCES (PERCENTAGES)

Revenue Source	FY 2017	FY 2018*	FY 2019*
Individual Income	2.4	27.0	3.2
Corporation Income	(8.4)	0.0	1.5
Retail Sales	0.5	1.9	1.9
Compensating Use	(0.1)	2.7	1.3

*Estimated

FY 2018. The revised estimate of SGF receipts for FY 2018 is \$6.814 billion, an increase of \$108.3 million above the previous estimate. The estimate for total taxes was increased by \$102.4 million, while the estimate for non-tax sources was increased \$5.9 million. Total taxes had been running \$104.8 million above the previous forecast through October. The overall revised estimate is approximately \$474.7 million, or 7.5 percent, above actual FY 2017 receipts.

FY 2019. For FY 2019, SGF receipts are expected to decrease by 0.4 percent (heavily influenced by a change in net transfers), while total taxes are expected to increase by 2.2 percent.

Corporation Income Tax

Corporation income tax collections finished FY 2017 approximately \$55.0 million above the final estimate for that year, and were running \$25.7 million ahead of the previous FY 2018 estimate through October. Kansas corporation income tax receipts are extremely top-heavy in that the biggest 120 taxpayers account for about 60.0 percent of the overall liability. The Department of Revenue reports that increasing corporate profits account for part of the recent growth in this tax source, while noting the large growth in estimated payments this fall from certain filers in the information and professional, scientific, and technical services sectors likely means the overall Kansas tax liability for these firms is expected to continue to increase. The FY 2018 and FY 2019 estimates, therefore, were increased to \$325.0 million and \$330.0 million, respectively. Corporate income tax collections will continue to be closely monitored between now and April. As an example of the volatility in these receipts, it is worth remembering that collections were \$417.4 million as recently as FY 2015. The Department of Revenue reiterated its belief that the long-term growth in this source will continue to be suppressed as a result of a large amount of High Performance Incentive Program (HPIP) credits' being carried forward by corporations.

Retail Sales and Compensating Use Taxes

A number of factors influenced the increase of \$47.7 million in the sales tax estimate, not the least of which was the fact that receipts were running \$27.1 million above the previous estimate through October and had finished \$13.9 million above the final FY 2017 estimate. The Consensus Group spent time working with consulting economists and the Department of Revenue in an effort to explain why sales tax receipts have been growing at close to 4.0 percent since last spring, but there is no single unifying explanation. As recently as last year, the revenue elasticity of the sales tax appeared to have declined significantly given some of the sluggish receipts the state had experienced – total FY 2017 receipts were only 0.5 percent above the prior year's, for example. But some data now suggest that collections appear to have stabilized somewhat over the summer in many rural counties, while there looks to have been relatively strong growth in larger urban counties. On the other hand, given that the growth of some of the main Kansas economic indicators has been reduced since April, the new forecast encompasses the notion that sales tax growth will not be continuing at the more robust rate seen in recent months. Therefore, the new FY 2018 estimate, which was increased by \$47.7 million, now represents 1.9 percent growth over FY 2017. Coming off the higher base, FY 2019 now calls for SGF sales tax receipts of \$2.375 billion, also 1.9 percent growth. As with the individual and corporation income taxes, the Consensus Group will be monitoring the rapidly changing trends in this tax source over the winter months. Estimates for compensating use taxes also were increased by \$10.0 million in both FY 2018 and FY 2019.

Individual Income Tax

The Department of Revenue's fiscal note estimates that the provisions of 2017 SB 30 will combine to produce an additional \$591.0 million in receipts by the end of FY 2018 (beyond the amount that would have been collected had that legislation not been enacted). But because of the timing of various provisions of that new law, an even greater percentage of individual income tax receipts is likely to be received during the latter months of the fiscal year than normal. Special language in the new law provides that taxpayers will not be assessed any penalties or interest relative to underpayments associated with the restoration of taxation to non-wage business income or with changes in rates, provided the underpayments have been rectified by April 17, 2018. Drawing meaningful conclusions about the accuracy of the overall income tax estimate during much of the fiscal year, therefore, remains extremely problematic, especially during the summer and fall months. Given the level of uncertainty regarding estimated payments made thus far and how they relate to the final reconciliation of liabilities expected to occur next spring, as well as the implementation of new withholding tables this summer and fall, the current estimate was left unchanged for FY 2018 (and virtually unchanged for FY 2019) until data on returns actually filed under the new law are available. Even though receipts from this source were exceeding the forecast through October, it is important to note that the 2017 and 2018 forecasted growth in Kansas Personal Income and Gross State Product has been reduced. The Consensus Group will continue working with the Department of Revenue over the winter and early spring to monitor receipts and the impact of the new law prior to the revision of revenue estimates again in mid-April. But any final determination as to the accuracy of the \$591.0 million estimate will not be available until after the conclusion of FY 2018 next June 30. The current FY 2019 estimate includes \$633.0 million of additional revenue attributable to the provisions of SB 30.

Non-Tax Sources

Of note among non-tax sources, the interest earnings estimate was increased by \$12.1 million for FY 2018 and \$6.1 million for FY 2019, based on higher balances in the SGF and on higher interest rates than had been assumed in April.

SGF Revenue Diversions

The Department of Revenue works closely with the Department of Commerce in monitoring the growth of certain programs that divert revenue away from the SGF or otherwise reduce SGF receipts, including Sales Tax and Revenue (STAR) bonds (retail sales and compensating use tax); HPIP (income tax); and Promoting Employment Across Kansas (PEAK) (individual income tax). For FY 2017, about \$36.6 million of state retail sales and compensating use taxes (\$30.7 million from the SGF and \$5.9 million from the State Highway Fund) was returned to pay the STAR bonds from ten separate districts. The estimate of total projected PEAK benefits awarded during FY 2017 is \$32.7 million. About \$51.7 million in HPIP credits were claimed in tax year 2015, the most recent year for which data those data are available, and approximately \$632.0 million in unused HPIP credits were being carried forward to apply against liability in subsequent tax years.

Accuracy of Consensus Revenue Estimates

For 43 years, SGF revenue estimates for Kansas have been developed using the consensus revenue estimating process. Each of the agencies and individuals involved in the process prepared independent estimates and all met November 2, 2017, to discuss estimates and come to a consensus for each fiscal year.

STATE GENERAL FUND ESTIMATES

Fiscal Year	Adjusted Original Estimate*	Adjusted Final Estimate**	Actual Receipts	Difference from Original Estimate*		Difference from Final Estimate**	
				Amount	Percent	Amount	Percent
1975	\$ --	\$ 614.9	\$ 627.6	--	--	\$ 12.7	2.1 %
1976	676.3	699.7	701.2	24.9	3.7	1.4	0.2
1977	760.2	760.7	776.5	16.3	2.1	15.8	2.1
1978	830.1	861.2	854.6	24.5	3.0	(6.5)	(0.8)
1979	945.2	1,019.3	1,006.8	61.6	6.5	(12.5)	(1.2)
1980	1,019.3	1,095.9	1,097.8	78.5	7.7	1.9	0.2
1981	1,197.1	1,226.4	1,226.5	29.4	2.5	0.1	--
1982	1,351.3	1,320.0	1,273.0	(78.3)	(5.8)	(47.0)	(3.6)
1983	1,599.2	1,366.9	1,363.6	(235.6)	(14.7)	(3.2)	(0.2)
1984	1,596.7	1,539.0	1,546.9	(49.8)	(3.1)	7.9	0.5
1985	1,697.7	1,679.7	1,658.5	(39.2)	(2.3)	(21.3)	(1.3)
1986	1,731.2	1,666.4	1,641.4	(89.8)	(5.2)	(25.0)	(1.5)
1987	1,903.1	1,764.7	1,778.5	(124.6)	(6.5)	13.8	0.8
1988	1,960.0	2,031.5	2,113.1	153.1	7.8	81.6	4.0
1989	2,007.8	2,206.9	2,228.3	220.5	11.0	21.4	1.0
1990	2,241.2	2,283.3	2,300.5	59.3	2.6	17.2	0.8
1991	2,338.8	2,360.6	2,382.3	43.5	1.9	21.7	0.9
1992	2,478.7	2,454.5	2,465.8	(12.9)	(0.5)	11.3	0.5
1993	2,913.4	2,929.6	2,932.0	18.6	0.6	2.4	0.1
1994	3,040.1	3,126.8	3,175.7	135.6	4.5	48.9	1.6
1995	3,174.4	3,243.9	3,218.8	44.4	1.4	(25.1)	(0.8)
1996	3,428.0	3,409.2	3,448.3	20.3	0.6	39.0	1.1
1997	3,524.8	3,642.4	3,683.8	159.0	4.5	41.4	1.1
1998	3,714.4	3,971.0	4,023.7	309.3	8.3	52.7	1.3
1999	3,844.7	4,051.9	3,978.4	133.7	3.5	(73.4)	(1.8)
2000	4,204.1	4,161.0	4,203.1	(1.0)	--	42.1	1.0
2001	4,420.7	4,408.7	4,415.0	(5.7)	(0.1)	6.4	0.1
2002	4,674.5	4,320.6	4,108.9	(565.6)	(12.1)	(211.7)	(4.9)
2003	4,641.0	4,235.6	4,245.6	(395.4)	(8.5)	9.9	0.2
2004	4,605.5	4,450.5	4,518.7	(86.8)	(1.9)	68.2	1.5
2005	4,490.5	4,793.8	4,841.3	350.8	7.8	47.5	1.0
2006	4,834.0	5,308.7	5,394.4	560.4	11.6	85.7	1.6
2007	5,144.0	5,721.3	5,809.0	665.0	12.9	87.8	1.5
2008	5,700.4	5,736.3	5,693.4	(7.0)	(0.1)	(43.0)	(0.7)
2009	6,185.7	5,709.7	5,587.4	(598.3)	(9.7)	(122.3)	(2.1)
2010	5,974.2	5,291.0	5,191.3	(782.9)	(13.1)	(99.8)	(1.9)
2011	5,851.0	5,779.6	5,882.1	31.1	0.5	102.5	1.8
2012	6,098.9	6,404.3	6,412.8	313.9	5.1	8.5	0.1
2013	6,414.2	6,250.4	6,341.1	(73.1)	(1.1)	90.7	1.5
2014	5,947.0	5,986.5	5,653.2	(293.8)	(4.9)	(333.3)	(5.6)
2015	5,992.3	5,944.4	5,928.8	(63.5)	(1.1)	(15.6)	(0.3)
2016	6,358.0	6,149.6	6,073.5	(284.6)	(4.5)	(76.2)	(1.2)
2017	6,377.8	6,266.8	6,339.1	(38.7)	(0.6)	72.3	1.2

* The adjusted original estimate is the estimate made in November or December prior to the start of the next fiscal year in July and adjusted to account for legislation enacted, if any, that affected receipts to the SGF.

** The final estimate made in March, April, or June is the adjusted original estimate plus or minus changes subsequently made by the Consensus Estimating Group. It also includes the estimated impact of legislation on receipts.

The previous table presents estimates compared to actual receipts since FY 1975, the fiscal year for which the current process was initiated. First, the adjusted original estimate is compared to actual collections and then the final estimate is compared to actual receipts.

Concluding Comments

Consensus revenue estimates are based on current federal and state laws and their current interpretation by the courts. These estimates will be further adjusted in mid-April prior to the conclusion of the 2018 Legislative Session.

A great deal of uncertainty about the future of U.S. foreign policy, trade policy, health policy, immigration policy, and tax policy has already shown signs of increasing volatility in global and domestic markets. The impact of any such increased volatility on confidence as well as consumption and investment decisions by consumers and businesses alike will be monitored by the Consensus Group over the winter prior to the next meeting in April.

Table 1
State General Fund Receipts
(Dollars in Thousands)

	Consensus Estimate November 2, 2017					
	FY 2017 (Actual)		FY 2018 (Revised)		FY 2019 (Revised)	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax/Fee:						
Motor Carrier	\$ 10,863	(4.5) %	\$ 11,400	4.9 %	\$ 11,500	0.9 %
Income Taxes:						
Individual	\$ 2,304,027	2.4 %	\$ 2,927,000	27.0 %	\$ 3,020,000	3.2 %
Corporation	324,956	(8.4)	325,000	0.0	330,000	1.5
Financial Inst.	41,138	10.7	41,000	(0.3)	42,000	2.4
Total	<u>\$ 2,670,122</u>	<u>1.1 %</u>	<u>\$ 3,293,000</u>	<u>23.3 %</u>	<u>\$ 3,392,000</u>	<u>3.0 %</u>
Excise Taxes:						
Retail Sales	\$ 2,285,870	0.5 %	\$ 2,330,000	1.9 %	\$ 2,375,000	1.9 %
Compensating Use	384,654	(0.1)	395,000	2.7	400,000	1.3
Cigarette	130,079	(6.1)	125,000	(3.9)	122,000	(2.4)
Tobacco Products	8,425	4.8	8,500	0.9	8,600	1.2
Cereal Malt Beverage	1,543	9.5	1,400	(9.3)	1,300	(7.1)
Liquor Gallonage	19,438	(1.4)	20,200	3.9	20,400	1.0
Liquor Enforcement	71,528	5.6	74,000	3.5	75,000	1.4
Liquor Drink	11,041	0.9	11,400	3.3	11,600	1.8
Corporate Franchise	7,631	10.9	6,800	(10.9)	6,900	1.5
Severance	42,090	87.9	37,500	(10.9)	30,000	(20.0)
Gas	14,879	149.0	11,800	(20.7)	8,200	(30.5)
Oil	27,211	65.7	25,700	(5.6)	21,800	(15.2)
Total	<u>\$ 2,962,299</u>	<u>0.9 %</u>	<u>\$ 3,009,800</u>	<u>1.6 %</u>	<u>\$ 3,050,800</u>	<u>1.4 %</u>
Other Taxes:						
Insurance Premiums	\$ 172,291	1.2 %	\$ 171,000	(0.7) %	\$ 176,500	3.2 %
Miscellaneous	1,352	(3.1)	2,200	62.7	2,400	9.1
Total	<u>\$ 173,644</u>	<u>1.2 %</u>	<u>\$ 173,200</u>	<u>(0.3) %</u>	<u>\$ 178,900</u>	<u>3.3 %</u>
Total Taxes	<u>\$ 5,816,927</u>	<u>1.0 %</u>	<u>\$ 6,487,400</u>	<u>11.5 %</u>	<u>\$ 6,633,200</u>	<u>2.2 %</u>
Other Revenues & Receipts:						
Interest	\$ 65,633	133.4 %	\$ 12,300	(81.3) %	\$ 6,200	(49.6) %
Transfers & Other Receipts	381,794	59.5	263,200	(31.1)	95,100	(63.9)
Agency Earnings	74,706	56.7	50,900	(31.9)	48,900	(3.9)
Total	<u>\$ 522,132</u>	<u>65.7 %</u>	<u>\$ 326,400</u>	<u>(37.5) %</u>	<u>\$ 150,200</u>	<u>(54.0) %</u>
Total Receipts	<u><u>\$ 6,339,059</u></u>	<u><u>4.4 %</u></u>	<u><u>\$ 6,813,800</u></u>	<u><u>7.5 %</u></u>	<u><u>\$ 6,783,400</u></u>	<u><u>(0.4) %</u></u>

Table 2
State General Fund Receipts
FY 2018 Revised
Comparison of November 2017 Estimate to June 2017 Estimate
(Dollars in Thousands)

	FY 2018 CRE Est. as Adj. for Legis.	FY 2018 CRE Est. Revised 11/02/17	Difference	
			Amount	Pct. Chg.
Property Tax/Fee:				
Motor Carrier	\$ 12,000	\$ 11,400	\$ (600)	(5.0) %
Income Taxes:				
Individual	\$ 2,927,000	\$ 2,927,000	\$ --	-- %
Corporation	275,000	325,000	50,000	18.2
Financial Inst.	41,000	41,000	--	--
Total	\$ 3,243,000	\$ 3,293,000	\$ 50,000	1.5 %
Excise Taxes:				
Retail Sales	\$ 2,282,317	\$ 2,330,000	\$ 47,683	2.1 %
Compensating Use	385,000	395,000	10,000	2.6
Cigarette	127,000	125,000	(2,000)	(1.6)
Tobacco Product	8,500	8,500	--	--
Cereal Malt Beverage	1,400	1,400	--	--
Liquor Gallonage	19,900	20,200	300	1.5
Liquor Enforcement	72,500	74,000	1,500	2.1
Liquor Drink	11,200	11,400	200	1.8
Corporate Franchise	6,700	6,800	100	1.5
Severance	36,400	37,500	1,100	3.0
Gas	11,200	11,800	600	5.4
Oil	25,200	25,700	500	2.0
Total	\$ 2,950,917	\$ 3,009,800	\$ 58,883	2.0 %
Other Taxes:				
Insurance Premium	\$ 177,500	\$ 171,000	\$ (6,500)	(3.7) %
Miscellaneous	1,600	2,200	600	37.5
Total	\$ 179,100	\$ 173,200	\$ (5,900)	(3.3) %
Total Taxes	\$ 6,385,017	\$ 6,487,400	\$ 102,383	1.6 %
Other Revenues & Receipts:				
Interest	\$ 200	\$ 12,300	\$ 12,100	6,050.0 %
Transfers & Other Receipts	269,380	263,200	(6,180)	(2.3)
Agency Earnings	50,900	50,900	--	--
Total	\$ 320,480	\$ 326,400	\$ 5,920	1.8 %
Total Receipts	\$ 6,705,497	\$ 6,813,800	\$ 108,303	1.6 %

Table 3
State General Fund Receipts
FY 2019 Revised
Comparison of November 2017 Estimate to June 2017 Estimate
(Dollars in Thousands)

	FY 2019 CRE Est.	FY 2019 CRE Est.	Difference	
	as Adj. for Legis.	Revised 11/02/17	Amount	Pct. Chg.
Property Tax/Fee:				
Motor Carrier	\$ 12,200	\$ 11,500	\$ (700)	(5.7) %
Income Taxes:				
Individual	\$ 3,017,700	\$ 3,020,000	\$ 2,300	0.1 %
Corporation	280,000	330,000	50,000	17.9
Financial Inst.	42,000	42,000	--	--
Total	\$ 3,339,700	\$ 3,392,000	\$ 52,300	1.6 %
Excise Taxes:				
Retail Sales	\$ 2,305,000	\$ 2,375,000	\$ 70,000	3.0 %
Compensating Use	390,000	400,000	10,000	2.6
Cigarette	124,000	122,000	(2,000)	(1.6)
Tobacco Product	8,600	8,600	--	--
Cereal Malt Beverage	1,300	1,300	--	--
Liquor Gallonage	20,100	20,400	300	1.5
Liquor Enforcement	73,500	75,000	1,500	2.0
Liquor Drink	11,400	11,600	200	1.8
Corporate Franchise	6,800	6,900	100	1.5
Severance	32,500	30,000	(2,500)	(7.7)
Gas	9,100	8,200	(900)	(9.9)
Oil	23,400	21,800	(1,600)	(6.8)
Total	\$ 2,973,200	\$ 3,050,800	\$ 77,600	2.6 %
Other Taxes:				
Insurance Premium	\$ 184,000	\$ 176,500	\$ (7,500)	(4.1) %
Miscellaneous	1,800	2,400	600	33.3
Total	\$ 185,800	\$ 178,900	\$ (6,900)	(3.7) %
Total Taxes	\$ 6,510,900	\$ 6,633,200	\$ 122,300	1.9 %
Other Revenues & Receipts:				
Interest	\$ 100	\$ 6,200	\$ 6,100	6,100.0 %
Transfers & Other Receipts	102,260	95,100	(7,160)	(7.0)
Agency Earnings	48,900	48,900	--	--
Total	\$ 151,260	\$ 150,200	\$ (1,060)	(0.7) %
Total Receipts	\$ 6,662,160	\$ 6,783,400	\$ 121,240	1.8 %