

# KANSAS LEGISLATIVE RESEARCH DEPARTMENT

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To: Legislative Budget Committee

## STATE GENERAL FUND (SGF) RECEIPTS FY 2017

For the first four months of FY 2017, estimates of State General Fund (SGF) receipts are based upon the consensus estimates of April 20, 2016, as adjusted for legislation enacted after that date by the 2016 Legislature.

As this is the first monthly report on FY 2017 receipts, it is important to remember that a comparison of one month is not a reliable basis upon which to identify a trend for the balance of the year.

Total receipts for July, the first month of FY 2017, were \$13.2 million, or 3.1 percent, below the estimate. The component of total SGF receipts from taxes only was \$12.8 million, or 2.9 percent, below the estimate.

The tax sources exceeding the fiscal-year-to-date estimate by more than \$1.0 million through July were insurance premiums tax (\$1.4 million, or 24.0 percent), individual income tax (\$1.1 million, or 0.7 percent), and cigarette tax (\$1.1 million, or 9.6 percent).

Tax sources below the estimate by more than \$1.0 million were retail sales tax (\$10.8 million, or 5.2 percent) and corporation income tax (\$5.9 million, or 39.0 percent).

Total SGF receipts through July of FY 2017 are \$6.3 million, or 1.5 percent, above FY 2016 for the same period. Tax receipts only for the same period were \$9.0 million, or 2.2 percent, above FY 2016 actual revenue.

Of the \$10.8 million shortfall in sales tax, approximately \$6.0 million was associated with unexpected refunds.

This report excludes the July 1 deposit to the SGF of \$900.0 million pursuant to issuance of a Certificate of Indebtedness. The Certificate will be discharged prior to the end of the fiscal year.

## STATE GENERAL FUND RECEIPTS

July, FY 2017

(dollar amounts in thousands)

	Actual FY 2016	FY 2017			Percent change relative to:	
		Estimate*	Actual	Difference	FY 2016	Estimate
<b>Property Tax/Fee:</b>						
Motor Carriers	\$ 930	\$ 850	\$ 874	\$ 24	(6.0) %	2.8 %
<b>Income Taxes:</b>						
Individual	\$ 153,031	\$ 165,000	\$ 166,114	\$ 1,114	8.5 %	0.7 %
Corporation	18,313	15,000	9,145	(5,855)	(50.1)	(39.0)
Financial Inst.	76	(100)	(100)	0	--	0.0
Total	\$ 171,420	\$ 179,900	\$ 175,159	\$ (4,741)	2.2 %	(2.6) %
<b>Excise Taxes:</b>						
Retail Sales	\$ 189,124	\$ 206,000	\$ 195,189	\$ (10,811)	3.2 %	(5.2) %
Comp. Use	31,388	33,000	33,470	470	6.6	1.4
Cigarette	11,475	11,000	12,054	1,054	5.0	9.6
Tobacco Prod.	763	700	716	16	(6.2)	2.3
Cereal Malt Bev.	131	190	186	(4)	42.0	(2.1)
Liquor Gallonage	1,897	1,800	1,589	(211)	(16.2)	(11.7)
Liquor Enforce.	4,045	5,500	5,690	190	40.7	3.5
Liquor Drink	939	950	848	(102)	(9.7)	(10.7)
Corp. Franchise	607	700	756	56	24.5	8.0
Severance	5,452	3,250	3,046	(204)	(44.1)	(6.3)
Gas	1,143	1,000	620	(380)	(45.8)	(38.0)
Oil	4,309	2,250	2,425	175	(43.7)	7.8
Total	\$ 245,821	\$ 263,090	\$ 253,544	\$ (9,546)	3.1 %	(3.6) %
<b>Other Taxes:</b>						
Insurance Prem.	\$ (2,166)	\$ (6,000)	\$ (4,561)	\$ 1,439	(110.6) %	24.0 %
Miscellaneous	103	100	114	14	10.7	14.0
Total	\$ (2,063)	\$ (5,900)	\$ (4,447)	\$ 1,453	(115.6) %	24.6 %
<b>Total Taxes</b>	<b>\$ 416,108</b>	<b>\$ 437,940</b>	<b>\$ 425,130</b>	<b>\$ (12,810)</b>	<b>2.2 %</b>	<b>(2.9) %</b>
<b>Other Revenue:</b>						
Interest	\$ 13,112	\$ 5,400	\$ 5,513	\$ 113	(58.0) %	2.1 %
Transfers (net)	(23,441)	(17,410)	(17,058)	352	27.2	2.0
Agency Earnings and Misc.	2,684	2,000	1,170	(830)	(56.4)	(41.5)
Total	\$ (7,645)	\$ (10,010)	\$ (10,375)	\$ (365)	(35.7) %	(3.6) %
<b>TOTAL RECEIPTS</b>	<b>\$ 408,463</b>	<b>\$ 427,930</b>	<b>\$ 414,755</b>	<b>\$ (13,175)</b>	<b>1.5 %</b>	<b>(3.1) %</b>

Consensus estimate as of April 20, 2016, as further adjusted for subsequent legislation enacted after that date.

Excludes a Certificate of Indebtedness of \$900.0 million that must be redeemed prior to the end of the fiscal year.

NOTE: Details may not add to totals due to rounding.