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To: Legislative Budget Committee

STATE GENERAL FUND (SGF) RECEIPTS **July 2016 through March 2017, FY 2017**

This is the last monthly report of SGF receipts in FY 2017 based on the estimates made by the Consensus Estimating Group on November 10, 2016. The upcoming spring meeting of the Consensus Revenue Estimating Group will be reevaluating the forecast for all SGF receipts.

The component of SGF receipts from taxes only was \$56.8 million, or 1.4 percent, above the estimate. Total SGF taxes only at the end of February were \$68.5 million, or 1.9 percent, above the estimate.

Total receipts through March were above the estimate by \$57.5 million, or 1.4 percent. Total receipts at the end of February were \$67.7 million, or 1.8 percent, above the estimate. Total receipts for the same period were below FY 2016 by \$3.3 million, or 0.1 percent.

Taxes that exceeded the estimate by more than \$1.0 million were retail sales tax (\$28.2 million or 1.7 percent); individual income tax (\$26.8 million or 1.7 percent); corporation income tax (\$4.8 million or 2.8 percent); severance tax (\$3.7 million or 15.4 percent); financial institutions tax (\$2.1 million or 9.9 percent); and motor carrier tax (\$1.1 million or 14.5 percent).

Tax sources that fell below the estimate by more than \$1.0 million were compensating use tax (\$4.3 million or 1.5 percent); cigarette tax (\$3.5 million or 3.4 percent); and insurance premiums tax (\$1.2 million or 1.1 percent).

Individual income tax receipts, which had exceeded the prior forecast through February by \$37.9 million, fell \$11.1 million below the estimate for the month of March and are now \$26.6 million above the fiscal-year-to-date forecast. The Department of Revenue reports that refunds were \$12.3 million higher in March of 2017 than in the same month from 2016. Additional tax filing and processing information will be provided to the Consensus Group in the next several weeks.

Corporation income tax receipts, which had been \$10.4 million above the prior estimate through February, also were below expectations for March (down \$5.6 million for the month) and are now \$4.8 million ahead of the fiscal-year-to-date estimate. The Department of Revenue was not immediately aware of any unexpected refunds that may have contributed to the most recent news regarding this tax source.

Sales tax receipts exceeded the monthly estimate by \$2.3 million and are now a cumulative \$28.2 million ahead of the November forecast. Overall sales tax receipts in FY 2017 remain virtually flat when compared to the first nine months of FY 2016.

As noted earlier, the Consensus Estimating Group will soon be reevaluating the overall state of the economy and its implications for sales, income and all other SGF tax sources. The Consensus Group is meeting on April 20 to revise the FY 2017 estimate, as well as the estimates for FY 2018 and FY 2019.

This report excludes a 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-March, FY 2017
(dollar amounts in thousands)

	Actual FY 2016	FY 2017			Percent change relative to:	
		Estimate*	Actual	Difference	FY 2016	Estimate
Property Tax/Fee:						
Motor Carriers	\$ 8,253	\$ 7,650	\$ 8,760	\$ 1,110	6.1 %	14.5 %
Income Taxes:						
Individual	\$ 1,553,862	\$ 1,577,000	\$ 1,603,779	\$ 26,779	3.2 %	1.7 %
Corporation	232,969	171,500	176,272	4,772	(24.3)	2.8
Financial Inst.	19,237	20,850	22,919	2,069	19.1	9.9
Total	\$ 1,806,068	\$ 1,769,350	\$ 1,802,970	\$ 33,620	(0.2) %	1.9 %
Excise Taxes:						
Retail Sales	\$ 1,708,155	\$ 1,678,500	\$ 1,706,707	\$ 28,207	(0.1) %	1.7 %
Comp. Use	291,080	290,000	285,655	(4,345)	(1.9)	(1.5)
Cigarette	104,163	100,700	97,249	(3,451)	(6.6)	(3.4)
Tobacco Prod.	5,987	6,350	6,289	(61)	5.0	(1.0)
Cereal Malt Bev.	1,021	1,100	1,182	82	15.8	7.5
Liquor Gallonage	14,437	14,500	14,457	(43)	0.1	(0.3)
Liquor Enforce.	50,729	53,800	53,784	(16)	6.0	(0.0)
Liquor Drink	8,129	8,400	8,179	(221)	0.6	(2.6)
Corp. Franchise	3,465	3,280	3,343	63	(3.5)	1.9
Severance	19,284	24,300	28,038	3,738	45.4	15.4
Gas	4,790	6,300	8,792	2,492	83.5	39.6
Oil	14,494	18,000	19,246	1,246	32.8	6.9
Total	\$ 2,206,450	\$ 2,180,930	\$ 2,204,883	\$ 23,953	(0.1) %	1.1 %
Other Taxes:						
Insurance Prem.	\$ 107,257	\$ 111,390	\$ 110,164	\$ (1,226)	2.7 %	(1.1) %
Miscellaneous	1,065	1,500	868	(632)	(18.5)	(42.1)
Total	\$ 108,322	\$ 112,890	\$ 111,032	\$ (1,858)	2.5 %	(1.6) %
Total Taxes	\$ 4,129,093	\$ 4,070,820	\$ 4,127,645	\$ 56,825	(0.0) %	1.4 %
Other Revenue:						
Interest	\$ 22,857	\$ 15,200	\$ 17,553	\$ 2,353	(23.2) %	15.5 %
Transfers (net)	48,140	25,280	28,297	3,017	(41.2)	11.9
Agency Earnings and Misc.	31,349	59,300	54,604	(4,696)	74.2	(7.9)
Total	\$ 102,346	\$ 99,780	\$ 100,454	\$ 674	(1.8) %	0.7 %
TOTAL RECEIPTS	\$ 4,231,439	\$ 4,170,600	\$ 4,228,099	\$ 57,499	(0.1) %	1.4 %

Consensus estimate as of November 10, 2016.

Excludes a Certificate of Indebtedness of \$900 million that must be redeemed prior to the end of the fiscal year.

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