



STATE GENERAL FUND (SGF) RECEIPTS

July through November, FY 2022

Total receipts through November of FY 2022 were \$19.1 million, or 0.6 percent, above the estimate. The component of SGF receipts from taxes only was \$18.9 million, or 0.6 percent, above the estimate.

There were five tax sources above the estimate by more than \$1.0 million and one tax source below the estimate by more than \$1.0 million. Those **tax sources** are bolded in the attached table.

This is the first monthly report based on the revised estimate for FY 2022 made by the Consensus Revenue Estimating Group on November 10, 2021. That revision increased the previous total receipts estimate for FY 2022 by \$1.3 billion. The major increases were in individual income tax (\$671.4 million), corporation income tax (\$317.5 million), sales tax (\$183.9 million) and compensating use tax (\$94.5 million). The figures in both the Estimate and Actual columns under FY 2022 on the following table include receipts through November, so this report compares estimated and actual receipts for November FY 2022.

Individual income tax receipts are **below** the estimate by **\$4.6 million**, or 0.3 percent. However, withholding payments continue to exceed the prior year's monthly amount by 5.0 percent.

Corporation income tax receipts are **above** the estimate by **\$5.4 million**, or 2.2 percent, with the increase largely seen in regular corporate tax receipts this month rather than corporate estimated tax receipts as seen in previous months due to a reduction in refunds to corporate income taxpayers.

Sales and use taxes continue to steadily beat expectations, **combining to exceed the estimate by \$8.5 million**, or 0.6 percent. The retail industry has been encouraging people to make holiday purchases early due to possible supply chain issues.

Insurance premium tax collections are above the estimate by \$9.2 million; however, it appears that some insurance companies have paid taxes due in December early and, accordingly, December receipts will not be as much as was previously expected.

It is important to remember that a comparison of just one month is not a reliable basis upon which to identify a trend for the balance of the fiscal year. Receipts in upcoming months will likely be more meaningful in identifying any developing trends regarding how major tax sources are faring relative to the revised estimate done in November. December sales tax receipts will include certain transactions completed in late November that reflect the start of the holiday shopping season. December is also traditionally an important month for corporation income tax estimated payments. January sales tax receipts will include the balance of the holiday shopping season (transactions occurring in December), and individual income tax estimated payments are due in January.

There has not been a Certificate of Indebtedness issued for FY 2022.

STATE GENERAL FUND RECEIPTS
July-November, FY 2022
(Dollars in Thousands)

	Actual FY 2021	FY 2022			Percent change relative to:	
		Estimate*	Actual	Difference	FY 2021	Estimate
Income Taxes:						
Individual	\$ 1,808,171	\$ 1,560,000	\$ 1,555,386	\$ (4,614)	(14.0) %	(0.3) %
Corporation	198,078	245,000	250,350	5,350	26.4	2.2
Financial Inst.	21,858	14,100	14,292	192	(34.6)	1.4
<i>Total</i>	\$ 2,028,106	\$ 1,819,100	\$ 1,820,028	\$ 928	(10.3) %	0.1 %
Sales & Use Taxes:						
Retail Sales	\$ 1,033,977	\$ 1,130,000	\$ 1,136,588	\$ 6,588	9.9 %	0.6 %
Compensating Use	241,127	306,000	307,898	1,898	27.7	0.6
<i>Total</i>	\$ 1,275,104	\$ 1,436,000	\$ 1,444,485	\$ 8,485	13.3 %	0.6 %
Other Excise Taxes:						
Cigarette	\$ 49,648	\$ 47,600	\$ 48,752	\$ 1,152	(1.8) %	2.4 %
Tobacco Products	4,155	4,350	4,312	(38)	3.8	(0.9)
Liquor Gallonage	10,841	10,300	10,491	191	(3.2)	1.9
Liquor Enforcement	34,247	35,000	34,230	(770)	(0.0)	(2.2)
Liquor Drink	3,954	5,500	5,661	161	43.2	2.9
Gas Severance	(680)	5,800	6,055	255	990.4	4.4
Oil Severance	3,202	12,100	11,669	(431)	264.4	(3.6)
<i>Total</i>	\$ 105,367	\$ 120,650	\$ 121,170	\$ 520	15.0 %	0.4 %
Other Taxes:						
Insurance Premiums	\$ (10,249)	\$ (4,900)	\$ 4,303	\$ 9,203	142.0 %	187.8 %
Motor Carriers	4,523	5,000	4,771	(229)	5.5	(4.6)
Corporate Franchise	2,417	1,000	977	(23)	(59.6)	(2.3)
Miscellaneous	1,280	1,820	1,874	54	46.4	3.0
<i>Total</i>	\$ (2,029)	\$ 2,920	\$ 11,926	\$ 9,006	687.8 %	308.4 %
Total Taxes	\$ 3,406,548	\$ 3,378,670	\$ 3,397,609	\$ 18,939	(0.3) %	0.6 %
Other Revenue:						
Interest	\$ 6,763	\$ 1,450	\$ 1,315	\$ (135)	(80.6) %	(9.3) %
Transfers (net)	(77,680)	(106,900)	(107,459)	(559)	(38.3)	(0.5)
Agency Earnings & Misc	36,629	35,110	36,008	898	(1.7)	2.6
Total Other Revenue	\$ (34,288)	\$ (70,340)	\$ (70,136)	\$ 204	(104.5) %	0.3 %
TOTAL RECEIPTS	\$ 3,372,260	\$ 3,308,330	\$ 3,327,473	\$ 19,143	(1.3) %	0.6 %

* Consensus Estimate as of November 10, 2021.

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



December 1, 2021

QUARTERLY ECONOMIC INDICATORS REPORT

The Quarterly Economic Indicators Report is published by the Kansas Legislative Research Department in conjunction the State General Fund Receipts memorandum for the months of February, May, August, and November. The report provides graphs regarding economic output and inflation, jobs and unemployment, and Kansas private sector hours worked and wages.

For the third quarter of 2021, the most noteworthy economic development for the nation and the state of Kansas was inflation. For the three-month period, the national consumer price index grew at an average year-over-year rate of 5.3 percent, a level not seen since early 1991 and the midwest regional consumer price index increased by an average year-over-year rate of 5.8 percent, which exceeds any three-month period since the index transitioned to a monthly data set in 1987.

Energy prices were a primary driver of inflation with national year-over-year amounts exceeding 23.0 percent for each month in the quarter. Conversely, inflation on food purchases trailed the overall inflationary level.

Kansas private sector employees did benefit from robust hourly wage growth during the quarter with average year-over-year growth of 6.15 percent for July, August, and September. The average hourly wage for Kansas private sector workers increased from \$27.32 to \$27.79 for the quarter.

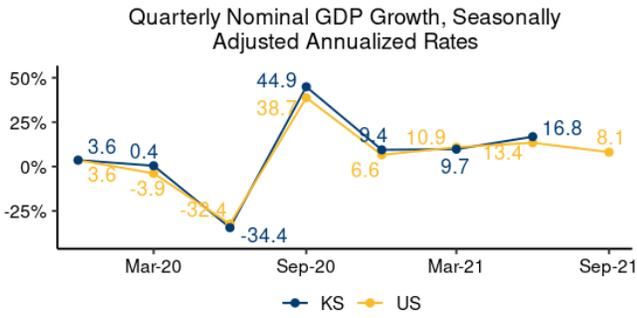
The number of non-farm jobs (not seasonally adjusted) in Kansas showed a monthly decline in July before increasing in August and September. On a year-over-year basis, each month saw job increases between 2.0 and 2.8 percent.

Additionally, the Kansas unemployment rate remained largely steady at 3.8 percent for July and August before rising to 3.9 percent for September. All months were substantially below the 2020 levels of 6.6 percent, 6.2 percent, and 6.1 percent, respectively. However, the unemployment rate has not yet returned to the third quarter 2019 level of 3.1 percent.

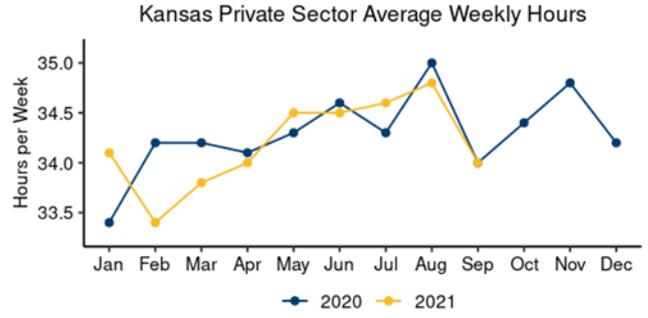
All data provided in the Report come from the U.S. Department of Labor Bureau of Labor Statistics (BLS) and the Bureau of Economic Analysis (BEA). A link to the data source for each indicator is found under the respective graph.

QUARTERLY ECONOMIC INDICATORS

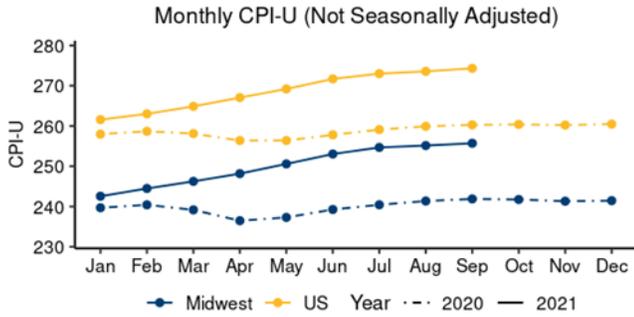
2021 Q3



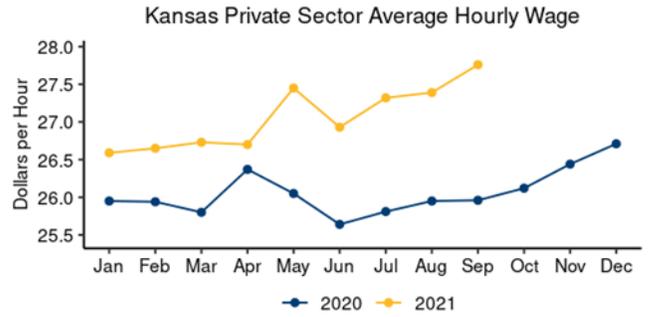
Source: U.S. Bureau of Economic Analysis (data: KS / US)



Source: U.S. Bureau of Labor Statistics (data)



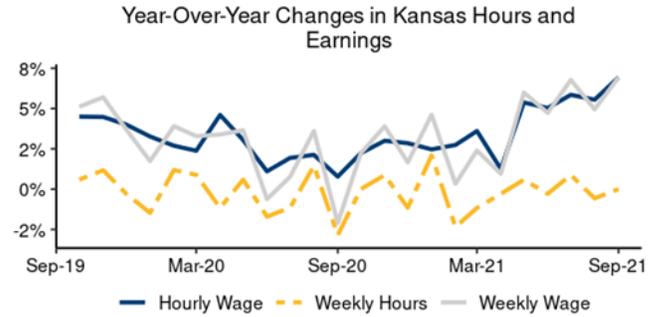
Midwest / US



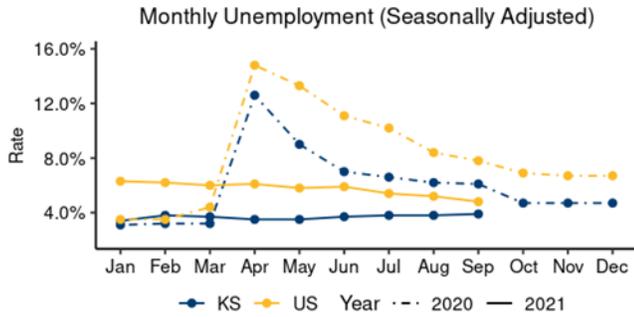
Source: U.S. Bureau of Labor Statistics (data)



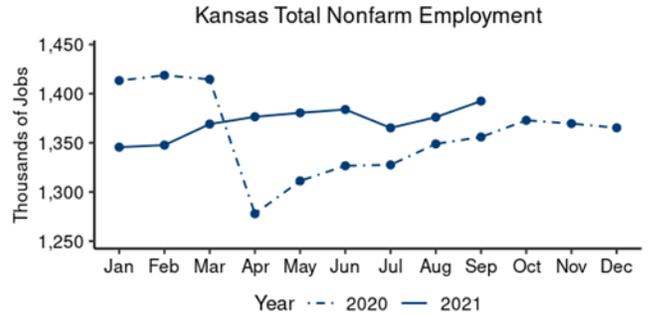
Midwest / US



Source: U.S. Bureau of Labor Statistics (data: [hrlly](#) / [hrs](#) / [wkly](#))



KS / US



Source: U.S. Bureau of Labor Statistics (data)

12-Month Percent Changes in Unemployment Rate

Region	July	August	September
KS	-42.4	-38.7	-36.1
US	-47.1	-38.1	-38.5

Kansas 12-Month Percent Changes in Employment

Year	July	August	September
2020	-5.4	-4.8	-5.0
2021	2.8	2.0	2.7