

May 5, 2023

To: Governor Laura Kelly and Legislative Coordinating Council
From: Division of the Budget and Kansas Legislative Research Department
Subject: State General Fund Revenue Estimates for FY 2023 and FY 2024

Estimates for the State General Fund (SGF) are developed using a consensus process that involves the Division of the Budget, Kansas Legislative Research Department, 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. Consensus revenue estimates are based on current federal and state laws as ultimately interpreted by the courts.

The Consensus Revenue Estimating Group (CRE Group) met on April 20, 2023, and increased the overall estimate for FY 2023 and FY 2024 by a combined \$237.5 million relative to the previous estimate made in November. The estimate for total taxes was increased by \$183.9 million, and other revenues were increased by \$53.6 million for the two years combined. The revised estimates incorporate the fiscal effect of all 2023 legislation signed into law through April 20, 2023. Table 1 compares the revised estimates for FY 2023 and FY 2024 with actual receipts from FY 2022.

For FY 2023, the estimate was increased by \$128.2 million, or 1.3 percent, above the November estimate. The estimate for total taxes was increased by \$75.4 million, while the estimate for other revenues was increased by \$52.8 million. The overall revised estimate of \$9.829 billion represents a 24.2 percent increase above the final FY 2022 receipts.

The revised estimate for FY 2024 is \$10.234 billion, which is \$109.3 million, or 1.1 percent, above the previous estimate. The estimate for total taxes was increased by \$108.5 million, while the estimate for other revenues was increased by \$800,000. The revised forecast for FY 2024 represents a 4.1 percent increase above the newly revised FY 2023 figure.

Economic Forecast for Kansas Summary

Most economic variables and indicators have remained consistent since the Consensus Group last convened in November. While the U.S. and Kansas economies continue to grow,

uncertainty remains as a number of economic indicators are estimated to show slightly higher real growth in the current year while seeing lower growth over the next few years as compared to the November forecast. Significant concerns exist for the economy as a whole relative to inflation and U.S. monetary policy, volatility in energy prices, U.S. trade and foreign policy, and the resolution of the U.S. debt limit. The economic forecast is based on no significant downturns or disruptions in the state or federal economy during the forecast period.

Real Kansas Gross State Product (GSP), which measures the cumulative economic output of the state's economy, is estimated to increase by 1.55 percent in calendar year (CY) 2023, increase by 1.45 percent in CY 2024, and increase by 1.8 percent in CY 2025. The November estimate showed real Kansas GSP increasing by 1.1 percent in CY 2023, 1.6 percent in CY 2024, and 1.95 in CY 2025. Current forecasts call for real U.S. Gross Domestic Product (GDP) to increase by 1.55 percent in CY 2023, increase by 1.45 percent in CY 2024, and increase by 1.8 percent in CY 2025. The November estimate had the real U.S. GDP increasing by 1.1 percent in CY 2023, increasing by 1.6 percent in CY 2024, and increasing by 1.95 percent in CY 2025.

Kansas Personal Income

Real Kansas Personal Income (KPI), a measure of the economic well-being of state residents from all the income that they receive is expected to increase by 1.55 percent in CY 2023, increase by 1.45 percent in CY 2024, and increase by 1.8 percent in CY 2025. The real KPI forecast used in November showed KPI increasing by 1.1 percent in CY 2023, increasing by 1.6 percent in CY 2024, and increasing by 1.95 percent in CY 2025. Current estimates indicate overall real U.S. Personal Income (USPI) will increase by 1.55 percent in CY 2023, increase by 1.45 percent in CY 2024, and increase by 1.8 percent in CY 2025.

Inflation Rate

The Consumer Price Index for All Urban Consumers (CPI-U) for CY 2023 is now projected to be 4.25 percent, which is lower than the 5.0 percent estimated in November. The current forecasts of 3.1 percent in CY 2024 and 2.75 percent in CY 2025 reflect lower inflation expectations than the 4.0 percent for CY 2024 and 3.0 percent for CY 2025 estimated in November.

Employment

Current estimates indicate that the overall Kansas unemployment rate, which was 2.7 percent in CY 2022, is expected to increase to 3.3 percent in CY 2023 and increase to 3.8 percent in CY 2024. Kansas unemployment expectations have improved slightly in the near term since November when the Kansas unemployed rate was estimated to be 3.5 percent in CY 2025, but the outlook has declined slightly when 3.6 percent was estimated for CY 2024. The national unemployment rate is expected to remain above the Kansas rate, with the U.S. rate now expected to be 4.5 percent in CY 2023 and 4.6 percent in CY 2024. A key factor in the estimate for the low annual unemployment rate is the labor force participation rate has not recovered to pre-pandemic levels. The labor force participation rate is the number of people ages 16 and older who are employed or actively seeking employment, divided by the total non-institutionalized, civilian

working-age population. The labor force participation rate in February 2023 was 66.4 percent compared to 67.1 percent in February 2020.

Kansas lost 158,400 non-farm jobs during the months of March and April 2020, but has since fully recovered adding back 177,300 jobs as of February 2023, the most recent month for which jobs data was available at the time of the estimate. Sectors with the largest amount of jobs created over the last year include private education and health services, leisure and hospitality, and manufacturing. No sectors have lost jobs now as compared to a year ago.

Average weekly hours worked in the private sector in February 2023 decreased to 33.5 hours, a decrease of 0.8 hours from February 2022. Average real hourly earnings decreased slightly over the year by \$0.70 to \$29.12, which is a decrease of 2.3 percent. The Kansas job market continues to reflect more job openings than unemployed individuals, as current estimates indicate more than two job openings for every unemployed person for each month since October 2021.

Interest Rates

The Pooled Money Investment Board is authorized to make investments in U.S. Treasury and federal agency securities, highly rated commercial paper and corporate bonds, and repurchase agreements and certificates of deposit at Kansas banks. In FY 2022, the state earned 0.28 percent on its SGF portfolio (compared with a 0.15 percent rate in FY 2021). The average rate of return forecasted for FY 2023 is estimated to be 3.57 percent (slightly lower than the 3.69 percent from the November estimate). For FY 2024, the average rate of return is estimated to be 4.47 percent (slightly lower than the 4.48 percent from the November estimate). Higher sustained interest rates are expected from the Federal Reserve over the forecast period in an attempt to reduce inflation. SGF interest earnings are estimated to be \$175.0 million in FY 2023 (an increase of \$63.0 million from the November estimate) and \$270.0 million in FY 2024 (an increase of \$65.0 million from the November estimate). Higher cash balance expectations combined with higher rates are projected to bring in more earnings to the SGF for the balance of FY 2023 and into FY 2024 than previously estimated in November.

Agriculture

While high commodity prices are supporting the Kansas farm economy, high input costs and widespread drought conditions combine to outweigh the benefits of higher commodity prices and net farm incomes are projected to drop in Kansas and in the U.S. in CY 2023. Kansas exported a record \$5.460 billion in agricultural products in CY 2022, which was an increase of 3.1 percent from CY 2021 when \$5.294 billion in agricultural products were exported. Current agricultural export volumes support CY 2023 and CY 2024 projections below the \$5.0 billion level. Livestock prices remain at elevated levels while cattle marketings are lower than a year ago. Land values continue to remain at higher levels across the state and region despite declining net farm income.

Oil & Gas

The average price per taxable barrel of Kansas crude oil is now estimated to average \$77 in FY 2023 (down from the \$78 estimate used in November) and reflects lower than anticipated

prices that occurred over the winter. Since there is a two-month lag from when production occurs and when the tax is due, oil severance tax receipts will decrease substantially over the last three months of FY 2023. The estimated average price of \$67 per barrel in FY 2024 (up from the \$65 estimate used in November) is based largely on oil futures price expectations leading up to the April 20, 2022, meeting. A great deal of uncertainty remains in forecasting the price of this commodity. Kansas is estimated to produce 28.0 million barrels of oil in FY 2023, which is the same as the November estimate. The current forecast of 27.5 million barrels for FY 2024 is also the same as the November estimate. Of all Kansas oil produced, 52.0 percent is predicted to not be subject to severance taxation because of various exemptions in state law for both FY 2023 and FY 2024.

Based on an industry source’s analysis of futures markets, the price of natural gas is expected to average \$5.00 per thousand cubic feet (Mcf) for FY 2023, which is down from the \$5.50 per Mcf estimated in November. The price is estimated to decrease to \$2.85 per Mcf for FY 2024, which is down from the \$4.00 per Mcf estimated in November. Kansas natural gas production is estimated to reach 145.0 million Mcf in FY 2023, which is lower than the 150.0 million Mcf estimated in November and represents a significant decrease from the modern era peak of 730.0 million Mcf in FY 1996 (largely a result of depleting reserves in the Hugoton Field and lower drilling activity). Production is estimated to continue to decrease in the future and is expected to be 135.0 million Mcf in FY 2023, which is down from the 145.0 million Mcf estimated in November. Approximately 18.0 percent of natural gas produced is expected to be exempt from severance taxation in FY 2023 and 45.0 percent is estimated to be exempt in FY 2024.

Economic Forecasts

	<u>CY 2023</u>	<u>CY 2024</u>	<u>CY 2025</u>
Inflation (CPI-U)	4.25 %	3.10 %	2.75 %
U.S. Real GDP Growth	1.55 %	1.45 %	1.80 %
Real USPI Growth	1.55 %	1.45 %	1.80 %
Real Corporate Profits Before Tax	3.90 %	3.50 %	2.70 %
KS Real GSP Growth	1.55 %	1.45 %	1.80 %
KS Real Personal Income Growth	1.55 %	1.45 %	1.80 %
Kansas Real Disposable Income	1.55 %	1.45 %	1.80 %
U.S. Unemployment Rate	4.50 %	4.60 %	4.60 %
Kansas Unemployment Rate	3.30 %	3.80 %	3.80 %
	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
SGF Interest	0.28 %	3.57 %	3.69 %
Oil and Gas			
Oil Price per Barrel	\$76.73	\$77.00	\$67.00
Gross Oil Production	28,001,625	28,000,000	27,500,000
Gas Price per Mcf	\$4.31	\$5.00	\$2.85
Gross Gas Production	153,108,014	145,000,000	135,000,000

State General Fund Receipt Estimates

Each individual SGF source was reevaluated independently, and consideration was given to revised and updated economic forecasts, collection information from the Department of Revenue and Department of Insurance, and year-to-date receipts. The growth rates for individual and corporation income taxes are heavily influenced by shifting receipts from individual income tax to corporation income tax related to SALT Parity Act payments. The growth rates of retail sales tax and compensating use tax reflect lower state retail sales tax and compensating use tax collections for food and food ingredients and increasing the share of distribution of these collections from the State General Fund to the State Highway Fund.

Growth Rates of Key Revenue Sources (Percentages)

<u>Revenue Source</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
Individual Income	5.4 %	(4.9) %	4.3 %
Corporation Income	23.6	70.6	(5.5)
Retail Sales	9.4	1.1	--
Compensating Use	28.5	3.2	3.8

FY 2023

The revised estimate of SGF receipts for FY 2023 is \$9.829 billion, an increase of \$128.2 million from the previous estimate made in November. Total SGF receipts through March were \$288.4 million above the previous estimate. The revised estimate is \$1.913 billion, or 24.2 percent, above actual FY 2022 receipts. This result is heavily influenced by large SGF transfers to the Budget Stabilization Fund and the Kansas Public Employees Retirement Fund that significantly reduced SGF receipts in FY 2022. Details of the current year's revised estimate are reflected in Table 2.

SALT Parity Act

Prior to the enactment of the federal Tax Cuts and Jobs Act (TCJA), individual taxpayers were generally able to deduct certain state and local taxes (SALT), including income and property taxes, as an itemized deduction on their federal income tax return. The TCJA was passed in late 2017 and limited the SALT deduction to \$10,000. The 2022 Legislature passed the SALT Parity Act that allows owners of S-corporations, LLCs, and partnerships to pay income tax at the entity level, rather than on their individual tax returns, allowing Kansas taxpayers to maximize their federal tax deductions. This results in the policy being net neutral for state receipts, but it also represents a shift of payments from individual income tax to corporation income tax and changes the timing of the receipts, relative to historical norms.

Income Taxes

The individual income tax estimate was decreased by \$500.0 million in FY 2023 based on large amounts of SALT Parity Act tax payments that will be claimed as credits before FY 2023 concludes and lower estimated payments growth expectations than were estimated in November, which is partially offset by increasing income tax withholdings payments. Individual income tax receipts through March were running \$85.5 million below the fiscal year-to-date estimate. Receipts from this source are extremely bottom-heavy in terms of the state's fiscal year, and there is often a great deal of volatility in the spring months as taxpayers are filing and reconciling their liabilities from the previous tax year, especially as it relates to capital gains.

The corporation income tax estimate was increased by \$602.0 million in FY 2023 from the amount estimated in November. Fiscal year-to-date receipts were up \$357.9 million through March. The CRE Group increased the estimate after reviewing fiscal year-to-date data on corporation income tax receipts, including preliminary data for April that showed additional SALT Parity Act balance due payments for tax year 2022 plus additional quarterly payments for tax year 2023. The financial institutions privilege tax was increased by \$2.0 million as revenues for banks have not declined as much as previously thought in November and are coming off \$62.2 million collected from this source in FY 2022.

Retail Sales & Compensating Use Taxes

The retail sales tax estimate for FY 2023 was unchanged from the amount estimated in November. Retail sales tax receipts were \$7.5 million below the fiscal-year-to-date estimate through March. Monthly retail sales tax receipts have been in line with expectations and with only two months of receipts data with the reduction in the state sales tax rate on food and food ingredients, the CRE Group made no adjustment to the estimate. While inflation expectations have cooled slightly from the November estimate, consumers are still paying higher sales taxes now based on paying higher prices for the goods they consumed compared to a year ago. A major component of the retail sales tax estimate is the effects of higher sustained inflation.

The compensating use tax estimate was decreased by \$20.0 million in FY 2023 from the amount estimated in November. Fiscal year-to-date receipts were down by \$10.3 million through March and were only up \$17.3 million over FY 2022 receipts. The slower growth year-to-date in compensating use tax receipts represents a return to normal growth patterns after experiencing large growth in FY 2022 driven by initial collections from marketplace facilitators and out-of-state retailers and is also impacted by the increased share of these receipts being deposited in the State Highway Fund.

Net Transfers

The estimate for net transfers was decreased by \$8.8 million in FY 2023, primarily from increasing by \$12.0 million the Average Daily Balance (ADB) transfers from the SGF to various agencies' special revenue funds that have statutory authority to retain their interest income and increasing the Attorney General's Tort Claims Fund transfers from the SGF by \$1.0 million for additional costs to defend the state and make settlement payments. This is partially offset by

increasing the planned transfer from State Gaming Revenues Fund to the SGF from higher estimated regular lottery ticket sales by \$4.3 million. Various other net transfer adjustments reduce the SGF by negligible amounts.

Other State General Fund Receipts

The estimate for SGF interest was increased by \$63.0 million in FY 2023 based on higher cash balance expectations and higher sustained rates. Liquor enforcement tax (increased by \$2.5 million) was the only other receipt estimates that was increased by at least \$1.0 million in FY 2023.

Insurance premiums tax was decreased by \$4.0 million in FY 2023 due to higher refunds from lowering the estimate for insurance policies being written across the state. Other receipt estimates that were decreased by at least \$1.0 million include gas severance tax (decreased by \$3.3 million), oil severance tax (decreased by \$2.3 million), agency earnings (decreased by \$1.4 million), and cigarette tax (decreased by \$1.0 million).

FY 2024

SGF receipts are estimated to be \$10.234 billion in FY 2024, an increase of \$109.3 million relative to the November estimate. The new FY 2024 estimate is \$404.3 million or 4.1 percent above the newly revised FY 2023 estimate. The growth rate is heavily influenced by overall modest growth expectations in overall tax receipts, which is partially offset by further reducing the state sales tax rate on food and food ingredients on January 1, 2024, and reducing the corporation income tax rate by 0.5 percent that takes effect in tax year 2024. Details of the revised estimate for FY 2024 are reflected in Table 3.

The individual income tax estimate was decreased by \$501.5 million in FY 2024, primarily for additional SALT Parity Act credits claimed by individual taxpayers. The corporation income tax estimate was increased by \$654.0 million in FY 2024 from the amount estimated in November. The increase is primarily related to additional SALT Parity Act payments and slightly higher growth expectations with higher corporate profits before taxes in CY 2023.

The retail sales tax estimate for FY 2024 was unchanged from the amount estimated in November. Inflation expectations have been reduced since November and a further reduction in the state sales tax rate on food and food ingredients on January 1, 2024, are offset by the continued growth in consumer spending. The compensating use tax estimate was decreased by \$30.0 million in FY 2024, as slower growth from this source is expected.

The estimate for SGF interest earnings was increased by \$65.0 million in FY 2024 based on higher cash balance expectations and higher sustained interest rates. Agency earnings (increased by \$11.1 million) and liquor enforcement tax (increased by \$3.0 million) were the only other receipt estimates that were increased by at least \$1.0 million in FY 2024.

The estimate for net transfers was decreased by \$75.3 million in FY 2024, primarily from increasing the ADB transfers from the SGF by \$44.0 million, increasing the transfer from the SGF to the State Water Plan Fund by \$35.0 million as required in HB 2302 to fund additional water related projects, which is partially offset by increasing transfer from the PMIB Investment Portfolio Fee Fund to the SGF by \$3,250,000. Various other net transfer adjustments reduce the SGF by negligible amounts.

The cigarette tax estimate was reduced by \$1.0 million and includes the fiscal effect of HB 2269 that raises the minimum age to purchase cigarette in the state from 18 to 21 years of age which conforms to federal law. Other receipt estimates that were decreased by at least \$1.0 million include gas severance tax (decreased by \$9.9 million), insurance premiums tax (decreased by \$5.0 million), and liquor gallonage tax (decreased by \$1.0 million).

Accuracy of Consensus Revenue Estimates

For 48 years, SGF revenue estimates for Kansas have been developed using the consensus revenue estimating process. Each of the parties involved in the process prepared independent estimates and met on April 20, 2023, to discuss estimates and come to a consensus for each fiscal year. These estimates will be further adjusted at the conclusion of the 2023 Legislative Session to reflect any state legislation enacted after April 20, 2023, which affects SGF receipts.

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

STATE GENERAL FUND ESTIMATES

Fiscal Year	Adjusted Original Estimate*	Adjusted Final Estimate**	Actual Receipts	Difference from:			
				Original Estimate		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
2018	6,453.5	7,030.9	7,298.1	844.6	13.1	267.2	3.8
2019	6,571.0	7,231.2	7,368.4	797.4	12.1	137.2	1.9
2020	7,376.0	6,825.2	6,900.5	(475.5)	(6.4)	75.2	1.1
2021	7,747.9	8,099.9	8,865.9	1,118.1	14.4	766.1	9.5
2022	5,827.3	7,695.0	7,916.0	2,088.7	35.8	221.0	2.9

* 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, which affect receipts to the SGF.

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

Table 1
State General Fund Receipts
(Dollars in Thousands)

	FY 2022 (Actual)		Consensus Estimate April 20, 2023			
			FY 2023 (Revised)		FY 2024 (Revised)	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Income Taxes:						
Individual	\$ 4,836,131	5.4 %	\$ 4,600,000	(4.9) %	\$ 4,800,000	4.3 %
Corporation	806,035	23.6	1,375,000	70.6	1,300,000	(5.5)
Financial Institutions	62,227	(17.2)	54,000	(13.2)	50,000	(7.4)
Total	\$ 5,704,392	7.3 %	\$ 6,029,000	5.7 %	\$ 6,150,000	2.0 %
Excise Taxes:						
Retail Sales	\$ 2,759,402	9.4 %	\$ 2,790,000	1.1 %	\$ 2,790,000	-- %
Compensating Use	775,034	28.5	800,000	3.2	830,000	3.8
Total	\$ 3,534,436	13.1 %	\$ 3,590,000	1.6 %	\$ 3,620,000	0.8 %
Other Excise Taxes:						
Cigarette	\$ 109,406	(3.6) %	\$ 99,000	(9.5) %	\$ 95,000	(4.0) %
Tobacco Products	10,179	2.6	10,400	2.2	10,700	2.9
Liquor Gallonage	24,540	(0.7)	24,700	0.7	25,000	1.2
Liquor Enforcement	82,988	2.0	83,500	0.6	85,000	1.8
Liquor Drink	13,757	33.3	15,000	9.0	15,500	3.3
Gas	20,827	432.3	21,100	1.3	2,500	(88.2)
Oil	35,341	173.4	35,600	0.7	25,500	(28.4)
Total	\$ 297,038	15.7 %	\$ 289,300	(2.6) %	\$ 259,200	(10.4) %
Other Taxes:						
Insurance Premiums	\$ 196,373	7.9 %	\$ 200,000	1.8 %	\$ 207,000	3.5 %
Motor Carrier	12,922	(4.5)	11,600	(10.2)	11,600	--
Corporate Franchise	8,456	(14.2)	9,200	8.8	9,200	--
Miscellaneous	4,490	31.2	5,200	15.8	5,300	1.9
Total	\$ 222,242	6.5 %	\$ 226,000	1.7 %	\$ 233,100	3.1 %
Total Taxes	\$ 9,758,107	9.5 %	\$ 10,134,300	3.9 %	\$ 10,262,300	1.3 %
Other Revenues & Receipts:						
Interest	\$ 2,822	(63.8) %	\$ 175,000	6,101.3 %	\$ 270,000	54.3 %
Transfers & Other Receipts	(1,914,835)	(1,586.3)	(586,500)	69.4	(397,100)	32.3
Agency Earnings	69,951	10.9	106,600	52.4	98,500	(7.6)
Total	\$ (1,842,063)	(4,217.6) %	\$ (304,900)	83.4 %	\$ (28,600)	90.6 %
Total Receipts	\$ 7,916,045	(10.7) %	\$ 9,829,400	24.2 %	\$ 10,233,700	4.1 %

Table 2
State General Fund Receipts
FY 2023 Revised
Comparison of April 2023 Estimate to November 2022 Estimate
(Dollars in Thousands)

	FY 2023 CRE Est.	FY 2023 CRE Est.	Difference	
	Revised 11/09/2022	Revised 04/20/2023	Amount	Pct. Chg.
Income Taxes:				
Individual	\$ 5,100,000	\$ 4,600,000	\$ (500,000)	(9.8) %
Corporation	773,000	1,375,000	602,000	77.9
Financial Institutions	52,000	54,000	2,000	3.8
Total	\$ 5,925,000	\$ 6,029,000	\$ 104,000	1.8 %
Sales & Use Taxes:				
Retail Sales	\$ 2,790,000	\$ 2,790,000	\$ --	-- %
Compensating Use	820,000	800,000	(20,000)	(2.4)
Total	\$ 3,610,000	\$ 3,590,000	\$ (20,000)	(0.6) %
Other Excise Taxes:				
Cigarette	\$ 100,000	\$ 99,000	\$ (1,000)	(1.0) %
Tobacco Products	10,400	10,400	--	--
Liquor Gallonage	25,500	24,700	(800)	(3.1)
Liquor Enforcement	81,000	83,500	2,500	3.1
Liquor Drink	15,000	15,000	--	--
Gas Severance	24,400	21,100	(3,300)	(13.5)
Oil Severance	37,900	35,600	(2,300)	(6.1)
Total	\$ 294,200	\$ 289,300	\$ (4,900)	(1.7) %
Other Taxes:				
Insurance Premiums	\$ 204,000	\$ 200,000	\$ (4,000)	(2.0) %
Motor Carrier	11,600	11,600	--	--
Corporate Franchise	9,000	9,200	200	2.2
Miscellaneous	5,100	5,200	100	2.0
Total	\$ 229,700	\$ 226,000	\$ (3,700)	(1.6) %
Total Taxes	\$ 10,058,900	\$ 10,134,300	\$ 75,400	0.7 %
Other Revenues & Receipts:				
Interest	\$ 112,000	\$ 175,000	\$ 63,000	56.3 %
Transfers & Other Receipts	(577,700)	(586,500)	(8,800)	(1.5)
Agency Earnings	108,000	106,600	(1,400)	(1.3)
Total	\$ (357,700)	\$ (304,900)	\$ 52,800	14.8 %
Total Receipts	\$ 9,701,200	\$ 9,829,400	\$ 128,200	1.3 %

Table 3
State General Fund Receipts
FY 2024 Revised
Comparison of April 2023 Estimate to November 2022 Estimate
(Dollars in Thousands)

	FY 2024 CRE Est.	FY 2024 CRE Est.	Difference	
	Revised 11/09/2022	Revised 04/20/2023	Amount	Pct. Chg.
Income Taxes:				
Individual	\$ 5,301,500	\$ 4,800,000	\$ (501,500)	(9.5) %
Corporation	646,000	1,300,000	654,000	101.2
Financial Institutions	50,000	50,000	--	--
Total	\$ 5,997,500	\$ 6,150,000	\$ 152,500	2.5 %
Sales & Use Taxes:				
Retail Sales	\$ 2,790,000	\$ 2,790,000	\$ --	-- %
Compensating Use	860,000	830,000	(30,000)	(3.5)
Total	\$ 3,650,000	\$ 3,620,000	\$ (30,000)	(0.8) %
Other Excise Taxes:				
Cigarette	\$ 96,000	\$ 95,000	\$ (1,000)	(1.0) %
Tobacco Products	10,700	10,700	--	--
Liquor Gallonage	26,000	25,000	(1,000)	(3.8)
Liquor Enforcement	82,000	85,000	3,000	3.7
Liquor Drink	15,500	15,500	--	--
Gas Severance	12,400	2,500	(9,900)	(79.8)
Oil Severance	25,700	25,500	(200)	(0.8)
Total	\$ 268,300	\$ 259,200	\$ (9,100)	(3.4) %
Other Taxes:				
Insurance Premiums	\$ 212,000	\$ 207,000	\$ (5,000)	(2.4) %
Motor Carrier	11,600	11,600	--	--
Corporate Franchise	9,000	9,200	200	2.2
Miscellaneous	5,400	5,300	(100)	(1.9)
Total	\$ 238,000	\$ 233,100	\$ (4,900)	(2.1) %
Total Taxes	\$ 10,153,800	\$ 10,262,300	\$ 108,500	1.1 %
Other Revenues & Receipts:				
Interest	\$ 205,000	\$ 270,000	\$ 65,000	31.7 %
Transfers & Other Receipts	(321,800)	(397,100)	(75,300)	(23.4)
Agency Earnings	87,400	98,500	11,100	12.7
Total	\$ (29,400)	\$ (28,600)	\$ 800	2.7 %
Total Receipts	\$ 10,124,400	\$ 10,233,700	\$ 109,300	1.1 %