



Kansas Legislative Research Department

*Providing nonpartisan, objective research and fiscal
analysis for the Kansas Legislature since 1934*

68-West-Statehouse | 300 SW 10th Ave. | Topeka, Kansas 66612-1504
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STATE GENERAL FUND (SGF) RECEIPTS

July through May, FY 2021

Total receipts through May of FY 2021 were \$626.1 million, or 8.4 percent, above the estimate. The component of SGF receipts from taxes only was \$600.7 million, or 8.1 percent, above the estimate. This is the second monthly receipts memo using the April 20th consensus revenue estimates that increased the FY 2021 estimates by \$319.8 million.

Seven tax sources were above the estimate by more than \$1.0 million dollars and no tax source fell below the estimate by more than \$1.0 million. Those tax **sources** are bolded in the attached table.

Individual income tax receipts are continuing to **exceed** expectations for the year and the revised estimate with receipts **\$457.2 million**, or 12.2 percent, above the estimate. While state receipts exceeded expectations by noteworthy margins in several categories, the majority of the month's surplus came in balance due payments from individual income taxpayers. Kansas conformed to the federally-delayed deadline of May 17 for individuals to file income tax returns and pay any tax owed. Accordingly, the excess receipts does reflect 2020 taxable income of Kansas taxpayers being substantially higher than was anticipated. Some portion of the excess receipts may be due to uncertain timing of the impact on receipts of federal tax law changes from December 2020 and March 2021.

Corporation income is **above** the year-to-date estimate by **\$54.2 million** and continues to **outperform** the current estimate (\$24.8 million for May-only receipts) due to both strong corporate estimated and payment receipts for the year. Similar to the individual income tax receipts, the timing of the Paycheck Protection Program expense deductions is an uncertainty for corporation income tax.

Sales tax exceeded the year-to-date estimate by **\$53.3 million**, or 2.4 percent, and the May monthly estimate by **\$32.8 million**, or 16.8 percent, with continued strong receipts. **Compensating use tax receipts increased** by **\$27.7 million**, or 5.3 percent (36.0 percent for May-only receipts). This appears to reflect increased spending of federal stimulus payments.

Transfers into the SGF **exceeded** the estimate by **\$20.0 million**, or 24.8 percent, due to Coronavirus Response Fund and State Water Plan Fund transfers in HB 2007 that were enacted after the consensus revenue estimate.

This report excludes a deposit to the SGF which totals \$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-May, FY 2021

(Dollars in Thousands)

	Actual FY 2020	FY 2021			Percent change relative to:	
		Estimate*	Actual	Difference	FY 2020	Estimate
Property Tax/Fee:						
Motor Carriers	\$ 11,879	\$ 12,300	\$ 12,783	\$ 483	7.6 %	3.9 %
Income Taxes:						
Individual	\$ 2,985,100	\$ 3,760,400	\$ 4,217,605	\$ 457,205	41.3 %	12.2 %
Corporation	329,715	486,900	541,126	54,226	64.1	11.1
Financial Inst.	34,326	61,400	61,105	(295)	78.0	(0.5)
Total	\$ 3,349,141	\$ 4,308,700	\$ 4,819,836	\$ 511,135	43.9 %	11.9 %
Excise Taxes:						
Retail Sales	\$ 2,149,569	\$ 2,245,000	\$ 2,298,334	\$ 53,334	6.9 %	2.4 %
Compensating Use	435,631	525,000	552,684	27,684	26.9	5.3
Cigarette	105,950	102,000	103,833	1,833	(2.0)	1.8
Tobacco Products	8,367	9,000	9,074	74	8.4	0.8
Liquor Gallonage	19,866	22,400	22,603	203	13.8	0.9
Liquor Enforcement	67,759	74,000	75,301	1,301	11.1	1.8
Liquor Drink	9,919	8,600	9,172	572	(7.5)	6.7
Severance	20,279	12,900	13,614	714	(32.9)	5.5
Gas	170	2,200	3,211	1,011	1,788.8	46.0
Oil	20,109	10,700	10,403	(297)	(48.3)	(2.8)
Total	\$ 2,817,340	\$ 2,998,900	\$ 3,084,615	\$ 85,714	9.5 %	2.9 %
Other Taxes:						
Insurance Premiums	\$ 117,309	\$ 123,100	\$ 125,759	\$ 2,659	7.2 %	2.2 %
Corporate Franchise	5,969	7,500	8,149	649	36.5	8.7
Miscellaneous	3,118	2,990	3,066	76	(1.7)	2.5
Total	\$ 126,396	\$ 133,590	\$ 136,974	\$ 3,384	8.4 %	2.5 %
Total Taxes	\$ 6,304,756	\$ 7,453,490	\$ 8,054,208	\$ 600,716	27.7 %	8.1 %
Other Revenue:						
Interest	\$ 52,632	\$ 7,750	\$ 7,437	\$ (313)	(85.9) %	(4.0) %
Transfers (net)	(49,800)	(80,740)	(60,748)	19,992	(22.0)	24.8
Agency Earnings & Misc	43,680	53,750	59,407	5,657	36.0	10.5
Total Other Revenue	\$ 46,512	\$ (19,240)	\$ 6,096	\$ 25,336	(86.9) %	131.7 %
TOTAL RECEIPTS	\$ 6,351,268	\$ 7,434,250	\$ 8,060,304	\$ 626,052	26.9 %	8.4 %

* Consensus Estimate as of April 20, 2021.

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.



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June 1, 2021

QUARTERLY ECONOMIC INDICATORS REPORT

The Quarterly Economic Indicators Report will be published quarterly by the Kansas Legislative Research Department alongside the State General Fund Receipt memorandum.

All data provided in the Report comes 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 can be found under the respective graph. The report provides graphs for the economic indicators outlined below (subject to change):

Nominal (current-dollar) Quarterly GDP Growth, U.S. and Kansas — The market value of all goods and services produced by labor and property within a geographic area, regardless of nationality.

Consumer Price Index for All Urban Consumers (CPI-U) — A measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

- Non-seasonally adjusted all-items index
- Year-over-year percent change in CPI-U

Seasonally adjusted Unemployment Rates, U.S. and Kansas — The percentage of individuals who are unemployed, have actively looked for work in the prior four weeks, and are available to work

- Monthly rates for the current and prior years
- Year-over-year percent change for three months of the report quarter

Non-Farm Employees, U.S. and Kansas — This includes temporary, part-time, or full-time employed individuals and also includes those not at work due to benefits such as sick leave and vacation time or away for other reasons.

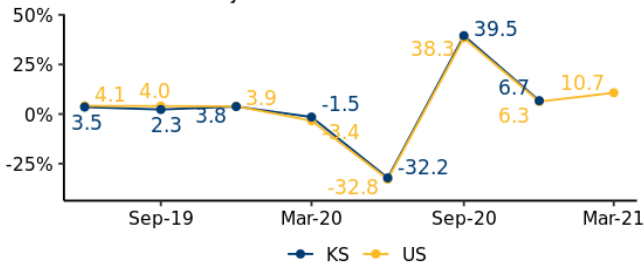
- Total number of employees for each month of the current and prior years
- Year-over-year percent change for three months of the report quarter

Hours and Wage Information for all Kansas private sector employees

- Average weekly hours and earnings for each month of the current and prior years
- Year-over-year percent change in average weekly hours, average hourly earnings, and average hourly wage

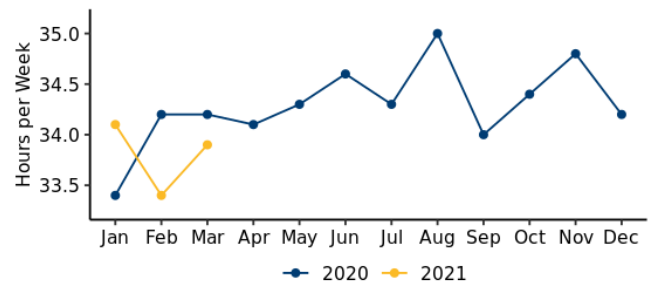
QUARTERLY ECONOMIC INDICATORS 2021 Q1

Quarterly Nominal GDP Growth, Seasonally Adjusted Annualized Rates



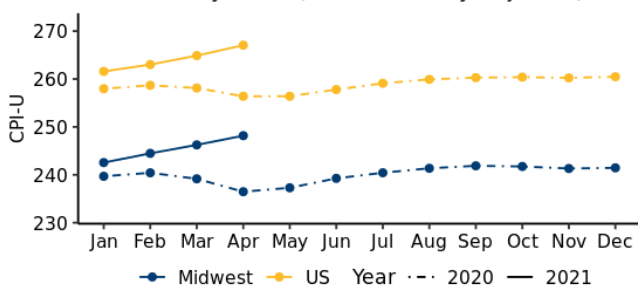
Source: U.S. Bureau of Economic Analysis (data: [KS](#) / [US](#))

Kansas Private Sector Average Weekly Hours



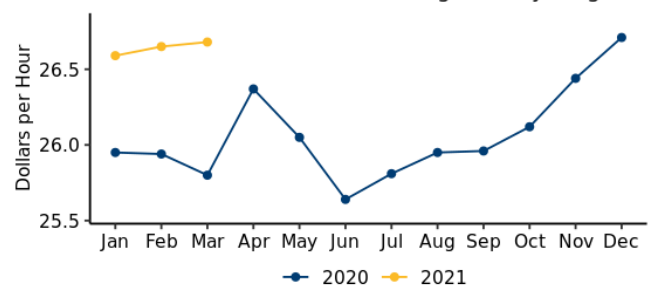
Source: U.S. Bureau of Labor Statistics ([data](#))

Monthly CPI-U (Not Seasonally Adjusted)



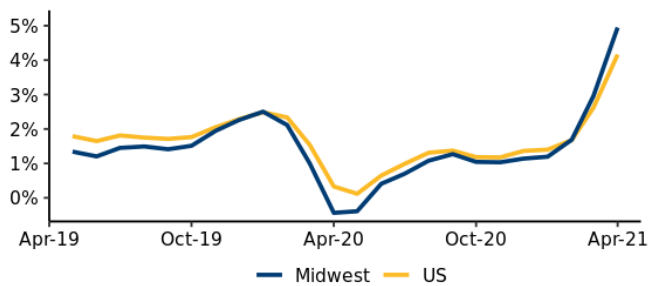
Source: U.S. Bureau of Labor Statistics (data: [Midwest](#) / [US](#))

Kansas Private Sector Average Hourly Wage



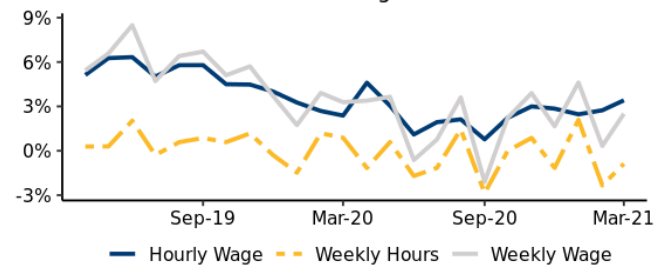
Source: U.S. Bureau of Labor Statistics ([data](#))

Year-Over-Year Changes in CPI-U



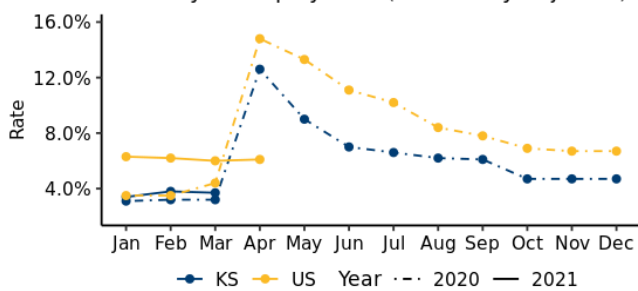
Source: U.S. Bureau of Labor Statistics (data: [Midwest](#) / [US](#))

Year-Over-Year Changes in Kansas Hours and Earnings



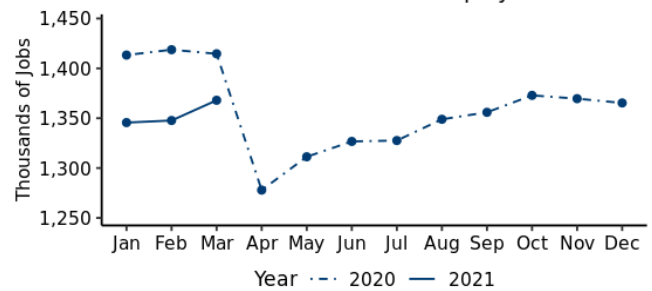
Source: U.S. Bureau of Labor Statistics (data: [hrly](#) / [hrs](#) / [wkly](#))

Monthly Unemployment (Seasonally Adjusted)



Source: U.S. Bureau of Labor Statistics (data: [KS](#) / [US](#))

Kansas Total Nonfarm Employment



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

12-Month Percent Changes in Unemployment Rate

Region	January	February	March
KS	9.7	18.7	15.6
US	80.0	77.1	36.4

12-Month Percent Changes in Employment

Year	January	February	March
2020	1.0	0.6	0.2
2021	-4.8	-5.0	-3.3