



Kansas Legislative Research Department

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STATE GENERAL FUND (SGF) RECEIPTS FY 2021

Total receipts to the SGF were \$766.1 million, or 9.5 percent, above the final adjusted estimate. The component of SGF receipts from taxes only was \$758.1 million, or 9.3 percent, above the estimate.

To provide context, the April consensus revenue estimate increased projected receipts by \$319 million. The filing deadline for income tax filing was delayed from April 15 to May 15. The early April income tax receipts were not available to the group; therefore, the trend shifting from early year refunds to increasing balance due payment may not have been reflected properly in the April estimates.

There were 10 tax sources 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 continued to **exceed** expectations for the fiscal year and the revised estimate, with receipts of **\$505.9 million** or 12.4 percent above the estimate. KLRD is using some approximations by adjusting the delayed July 2020 collections back to April 2020 to make the following comparisons between FY 2020 and FY 2021. Using these approximations, withholding increased an estimated \$145.9 million or 4.9 percent. The more surprising increase was in estimated payments, \$65 million or 12.7 percent, and net balance due payments increasing \$264.5 million or 113.6 percent. There is some anecdotal information of an increase in capital gains that may be included in these increases. 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 and could reduce collections in FY 2022.

Corporation income is **above** the final adjusted estimate by **\$118.5 million**, or 22.2 percent, and continues to **outperform** the current estimate (\$64.2 million for June-only receipts) due to both strong corporate estimated and payment receipts for the year. Again, using the approximations referenced above, adjusted receipts above FY 2020 for corporation estimated payments were \$100.3 million or 26.1 percent, and corporation income payments increasing \$28.0 million or 39.9 percent. Similar to the individual income tax receipts, the timing of the Paycheck Protection Program expense deductions is an uncertainty for corporation income tax continuing into FY 2022.

Sales tax exceeded the final adjusted estimate by **\$77.7 million**, or 3.2 percent, and the May monthly estimate by **\$24.2 million**, or 12.1 percent, with continued strong receipts. **Compensating use tax receipts increased** by **\$38.0 million**, or 6.7 percent (\$10.3 million, or 25.7 percent for June-only receipts). This appears to reflect increased spending of federal stimulus payments.

The \$900 million Certificate of Indebtedness issued for FY 2021 was discharged on June 1, 2021.

STATE GENERAL FUND RECEIPTS
FY 2021
(Dollars in Thousands)

	Actual FY 2020	Estimate*	FY 2021 Actual	Difference	Percent change relative to:	
					FY 2020	Estimate
Property Tax/Fee:						
Motor Carriers	\$ 12,502	\$ 12,900	\$ 13,536	\$ 636	8.3 %	4.9 %
Income Taxes:						
Individual	\$ 3,338,185	\$ 4,084,400	\$ 4,590,261	\$ 505,861	37.5 %	12.4 %
Corporation	384,407	533,900	652,286	118,386	69.7	22.2
Financial Inst.	46,197	70,000	75,149	5,149	62.7	7.4
Total	\$ 3,768,789	\$ 4,688,300	\$ 5,317,696	\$ 629,396	41.1 %	13.4 %
Excise Taxes:						
Retail Sales	\$ 2,352,523	\$ 2,444,868	\$ 2,522,553	\$ 77,685	7.2 %	3.2 %
Compensating Use	479,060	565,000	602,967	37,967	25.9	6.7
Cigarette	116,456	110,000	113,491	3,491	(2.5)	3.2
Tobacco Products	9,180	9,700	9,919	219	8.1	2.3
Liquor Gallonage	21,978	24,500	24,721	221	12.5	0.9
Liquor Enforcement	74,667	81,000	81,342	341	8.9	0.4
Liquor Drink	10,350	9,200	10,321	1,121	(0.3)	12.2
Severance	20,692	15,200	16,841	1,641	(18.6)	10.8
Gas	390	2,400	3,913	1,513	903.3	63.0
Oil	20,302	12,800	12,928	128	(36.3)	1.0
Total	\$ 3,084,906	\$ 3,259,468	\$ 3,382,155	\$ 122,686	9.6 %	3.8 %
Other Taxes:						
Insurance Premiums	\$ 172,479	\$ 178,200	\$ 181,941	\$ 3,741	5.5 %	2.1 %
Corporate Franchise	7,043	8,300	9,859	1,559	40.0	18.8
Miscellaneous	3,426	3,300	3,422	122	(0.1)	3.7
Total	\$ 182,948	\$ 189,800	\$ 195,222	\$ 5,422	6.7 %	2.9 %
Total Taxes	\$ 7,049,145	\$ 8,150,468	\$ 8,908,609	\$ 758,139	26.4 %	9.3 %
Other Revenue:						
Interest	\$ 56,064	\$ 8,000	\$ 7,798	\$ (202)	(86.1) %	(2.5) %
Transfers (net)	(251,224)	(115,900)	(113,550)	2,350	54.8	2.0
Agency Earnings & Misc	46,465	57,300	63,089	5,789	35.8	10.1
Total Other Revenue	\$ (148,695)	\$ (50,600)	\$ (42,663)	\$ 7,937	71.3 %	15.7 %
TOTAL RECEIPTS	\$ 6,900,450	\$ 8,099,868	\$ 8,865,946	\$ 766,076	28.5 %	9.5 %

* Consensus Estimate as of April 20, 2021.

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