



## **STATE GENERAL FUND (SGF) RECEIPTS**

July through August, FY 2023

**Total receipts through August of FY 2023 were \$141.4 million, or 18.0 percent, above the estimate.** The component of SGF receipts from taxes only was \$138.8 million, or 12.6 percent, above the estimate.

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

**Individual income** tax receipts continue to **exceed** expectations with receipts **\$47.7 million**, or 8.5 percent, above the estimate.

**Corporation income** is **above** the estimate by **\$15.1 million**, or 40.7 percent, largely due to strong July receipts.

**Total sales and use taxes exceeded** the estimate by **\$73.1 million**, or 16.0 percent with **sales tax** tax receipts exceeding the estimate by **\$53.8 million**, or 14.9 percent. **Compensating use** tax receipts also **exceeded** year-to-date expectations by **\$19.3 million**, or 19.9 percent; however, use tax receipts were **below** the August monthly estimate by **\$1.7 million**, or 2.7 percent.

**Total severance taxes exceeded** the estimate by **\$4.4 million**, or 51.3 percent with **gas severance** tax receipts exceeding the estimate by **\$2.5 million**, or 91.3 percent. **Oil severance** tax receipts also **exceeded** year-to-date expectations by **\$1.9 million**, or 32.7 percent. Receipts from **both tax sources** reflect higher than expected commodity prices.

**Non-tax receipts** are **\$2.6 million** above the estimate. The increased receipts are in both interest and agency earnings. Interest is above the estimate by **\$1.3 million** due to higher SGF balances and higher interest rates. Agency earnings exceeded the estimate by **\$2.3 million** primarily due to higher than expected Judicial Branch filing fees. Legislation passed during the 2022 Session redirects filing fees and other Judicial Branch fees to the SGF and replaces much of the Judicial Branch funding with SGF appropriations.

This is the second estimate for FY 2023 receipts based on the April consensus revenue estimate adjusted for legislation enacted after that date. It is also the fifth month in a row that receipts have been above the adjusted April estimate.

There has not been a Certificate of Indebtedness issued for FY 2023.

**STATE GENERAL FUND RECEIPTS**  
**July-August, FY 2023**  
(Dollars in Thousands)

	Actual FY 2022	FY 2023		Percent change relative to:		
		Estimate*	Actual	Difference	FY 2022	Estimate
<b>Income Taxes:</b>						
<b>Individual</b>	\$ 558,146	\$ 560,000	\$ 607,741	\$ 47,741	8.9 %	8.5 %
<b>Corporation</b>	51,355	37,000	52,076	15,076	1.4	40.7
<b>Financial Inst.</b>	1,322	700	(796)	(1,496)	(160.2)	(213.7)
<i>Total</i>	\$ 610,822	\$ 597,700	\$ 659,021	\$ 61,321	7.9 %	10.3 %
<b>Sales &amp; Use Taxes:</b>						
<b>Retail Sales</b>	460,112	360,000	413,763	53,763	(10.1)	14.9
<b>Compensating Use</b>	117,763	97,000	116,298	19,298	(1.2)	19.9
<i>Total</i>	\$ 577,875	\$ 457,000	\$ 530,061	\$ 73,061	(8.3) %	16.0 %
<b>Other Excise Taxes:</b>						
<b>Cigarette</b>	20,080	19,500	17,648	(1,852)	(12.1)	(9.5)
Tobacco Products	1,746	1,770	1,746	(24)	0.0	(1.4)
Liquor Gallonage	4,168	4,400	4,404	4	5.7	0.1
Liquor Enforcement	14,618	14,700	13,932	(768)	(4.7)	(5.2)
Liquor Drink	2,255	2,300	2,391	91	6.0	4.0
<b>Gas Severance</b>	1,394	2,700	5,165	2,465	270.6	91.3
<b>Oil Severance</b>	2,812	5,800	7,696	1,896	173.7	32.7
<i>Total</i>	\$ 47,072	\$ 51,170	\$ 52,983	\$ 1,813	12.6 %	3.5 %
<b>Other Taxes:</b>						
<b>Insurance Premiums</b>	\$ (7,400)	\$ (9,000)	\$ (6,592)	\$ 2,408	10.9 %	26.8 %
Motor Carriers	1,785	1,600	1,585	(15)	(11.2)	(0.9)
Corporate Franchise	611	700	842	142	37.8	20.3
Miscellaneous	799	800	842	42	5.4	5.3
<i>Total</i>	\$ (4,205)	\$ (5,900)	\$ (3,323)	\$ 2,577	21.0 %	43.7 %
<b>Total Taxes</b>	\$ 1,231,565	\$ 1,099,970	\$ 1,238,742	\$ 138,772	0.6 %	12.6 %
<b>Other Revenue:</b>						
Interest	\$ 382	\$ 2,400	\$ 3,668	\$ 1,268	-- %	52.8 %
Transfers (net)	(26,137)	(322,740)	(323,681)	(941)	--	(0.3)
Agency Earnings & Misc	5,221	6,600	8,904	2,304	70.5	34.9
<b>Total Other Revenue</b>	\$ (20,535)	\$ (313,740)	\$ (311,110)	\$ 2,630	-- %	0.8 %
<b>TOTAL RECEIPTS</b>	\$ 1,211,030	\$ 786,230	\$ 927,632	\$ 141,402	(23.4) %	18.0 %

\* Consensus Estimate as of April 20, 2022, as further adjusted for subsequent legislation enacted after that date.

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



**Kansas Legislative Research Department**

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

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September 1, 2022

## **QUARTERLY ECONOMIC INDICATORS REPORT**

The Quarterly Economic Indicators Report is published by the Kansas Legislative Research Department in conjunction with 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.

High levels of inflation were the most noteworthy economic variable for the second quarter of 2022. The three-month period saw the national consumer price index increase at an average year-over-year rate of 8.6 percent. Annualized inflation has now exceeded 4.0 percent every month since April 2021.

The Midwest region saw even higher inflation than the nation as a whole, with a three-month average of 8.9 percent. Inflation in the Midwest region historically lags behind the national level. However, this region has outpaced the nation in 2021 and 2022.

Energy costs were the largest driver of inflation throughout the quarter, with year-over-year amounts averaging 35.5 percent. Food prices also exceeded the overall amount, averaging 10.0 percent annualized growth through the quarter. Excluding food and energy, consumer inflation averaged 6.0 percent annualized in the second quarter.

While Kansas workers saw nominal gains in hourly and weekly wages throughout the quarter, these increases were less than inflation and reflect a loss of real earnings.

The unemployment rate for Kansas was below 2.5 percent for each month of the quarter. Seasonally adjusted non-farm jobs increased by 4,400, or 0.3 percent, during the quarter.

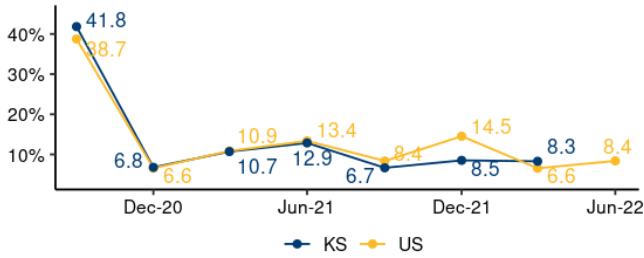
All data provided in the Report come from the U.S. Department of Labor Bureau of Labor Statistics (BLS) and the Bureau of Economic Analysis (BEA). A link to the data source for each indicator is found under the respective graph.

*Note:* This report has been updated to include Gross Domestic Product revisions released by the BEA on August 25, 2022. A prior version of this report was published on August 24, 2022, and did not include those revisions.

# QUARTERLY ECONOMIC INDICATORS

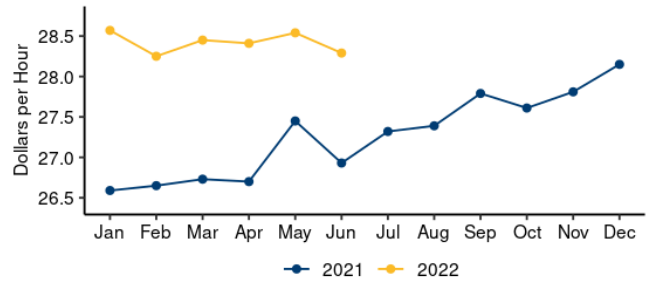
## 2022 Q2

Quarterly Nominal GDP Growth, Seasonally Adjusted Annualized Rates



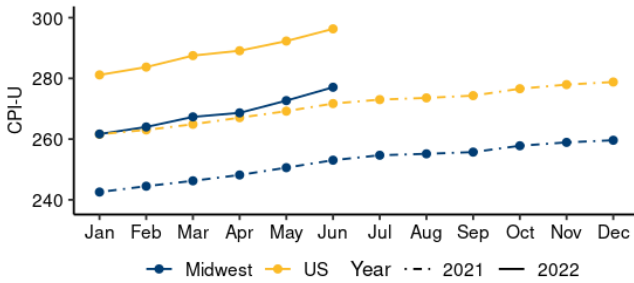
Source: U.S. Bureau of Economic Analysis (data: [KS](#) / [US](#))

Kansas Private Sector Average Hourly Wage



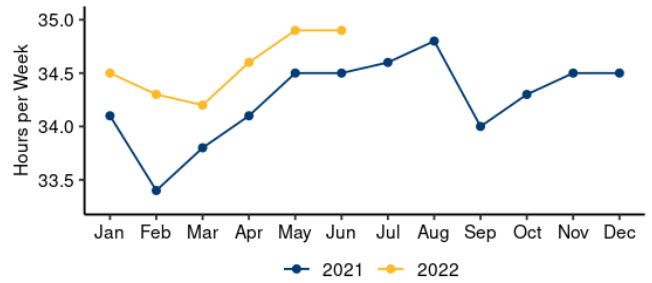
Source: U.S. Bureau of Labor Statistics (data)

Monthly CPI-U (Not Seasonally Adjusted)



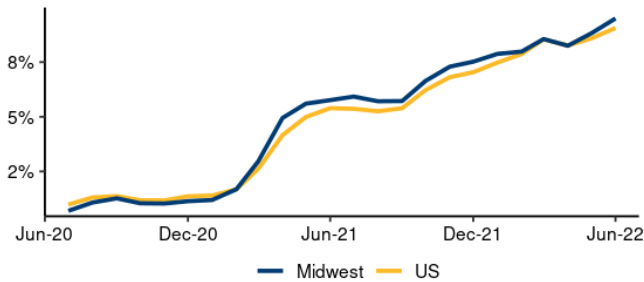
Source: U.S. Bureau of Labor Statistics (data: [Midwest](#) / [US](#))

Kansas Private Sector Average Weekly Hours



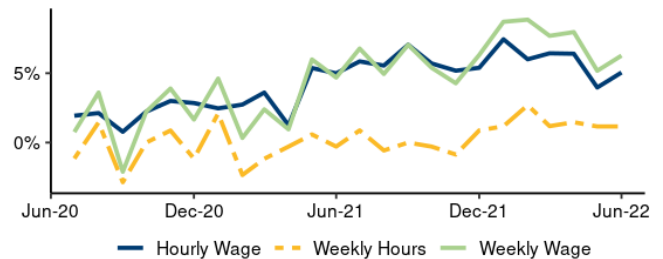
Source: U.S. Bureau of Labor Statistics (data)

Year-Over-Year Changes in CPI-U



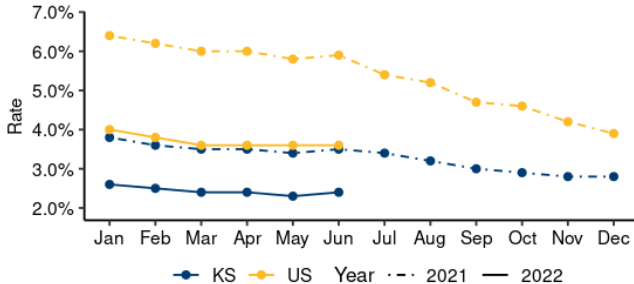
Source: U.S. Bureau of Labor Statistics (data: [Midwest](#) / [US](#))

Year-Over-Year Changes in Kansas Hours and Earnings



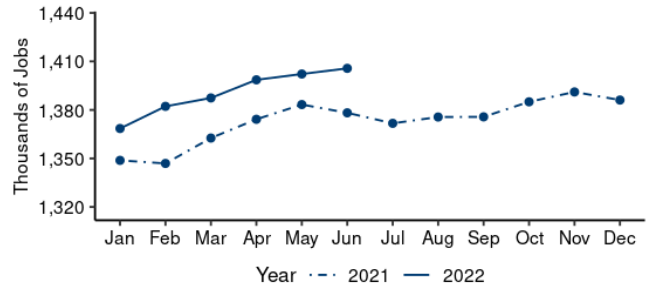
Source: U.S. Bureau of Labor Statistics (data: [hrlw](#) / [hrs](#) / [wklw](#))

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	April	May	June
KS	-31.4	-32.4	-31.4
US	-40.0	-37.9	-39.0

### Kansas 12-Month Percent Changes in Employment

Year	April	May	June
2021	7.7	5.7	4.0
2022	1.8	1.4	2.0