STATE GENERAL FUND (SGF) RECEIPTS
July through May, FY 2023

Total receipts through May of FY 2023 were $18.9 million, or 0.2 percent, above the estimate. The component of SGF receipts from taxes only was $8.7 million, or 0.1 percent, above the estimate.

Four tax sources were above the estimate by more than $1.0 million. Two tax sources were below the estimate by more than $1.0 million. Those tax sources are bolded in the attached table.

Corporation income tax receipts exceeded the year-to-date estimate by $103.4 million, or 8.8 percent. The majority of the excess continues to be driven by unanticipated SALT Parity Act receipts. The portion of the excess attributable to the SALT Parity Act has been reducing individual income tax payments by a commensurate amount.

Individual income tax receipts were below the year-to-date estimate by $89.0 million, or 2.1 percent. However, withholding receipts remained strong, exceeding the previous year amount for the month by 5.6 percent.

Sales and use taxes combined were below the year-to-date estimate by $11.6 million, or 0.4 percent. However, receipts from these sources exceed the prior year amounts by 1.4 percent, despite a reduction in the food sales tax rate.

Insurance premiums tax receipts were above the year-to-date estimate by $5.8 million, or 3.9 percent, however, it appears that some insurance companies have paid taxes due in June early and, accordingly, June’s receipts are expected to be less than was previously expected.

For non-tax revenue sources, interest exceeded the estimate by $6.1 million due to higher interest rates and fund balances. Agency earnings exceeded the estimate by $3.2 million.

This is the second monthly report based on the revised estimate for FY 2023 made by the Consensus Revenue Estimating Group on April 20, 2023, as further adjusted for legislation enacted after that date. The figures in both the Estimate and Actual columns under FY 2023 on the following table include receipts through May, so this report compares estimated and actual receipts for April and May 2023.

There has not been a Certificate of Indebtedness issued for FY 2023.
### STATE GENERAL FUND RECEIPTS
#### July-May, FY 2023
(Dollars in Thousands)

<table>
<thead>
<tr>
<th></th>
<th>Actual FY 2023</th>
<th>Percent change relative to:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2022 Estimate*</td>
<td>FY 2022</td>
</tr>
<tr>
<td><strong>Income Taxes:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Individual</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2022</td>
<td>4,471,417</td>
<td>$ 4,217,000</td>
</tr>
<tr>
<td>FY 2023</td>
<td>$ 4,471,417</td>
<td>$ 4,128,042</td>
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<tr>
<td><strong>Corporation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2022</td>
<td>657,937</td>
<td>1,175,000</td>
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<tr>
<td>FY 2023</td>
<td>1,175,000</td>
<td>1,278,399</td>
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<tr>
<td><strong>Financial Inst.</strong></td>
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<tr>
<td>FY 2022</td>
<td>51,272</td>
<td>45,000</td>
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<tr>
<td>FY 2023</td>
<td>45,000</td>
<td>45,238</td>
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<tr>
<td><strong>Total</strong></td>
<td>$ 5,180,626</td>
<td>$ 5,437,000</td>
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<tr>
<td><strong>Sales &amp; Use Taxes:</strong></td>
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<td></td>
</tr>
<tr>
<td><strong>Retail Sales</strong></td>
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<tr>
<td>FY 2022</td>
<td>2,517,587</td>
<td>2,554,000</td>
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<tr>
<td>FY 2023</td>
<td>2,517,587</td>
<td>2,554,000</td>
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<tr>
<td><strong>Compensating Use</strong></td>
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<tr>
<td>FY 2022</td>
<td>713,219</td>
<td>734,000</td>
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<tr>
<td>FY 2023</td>
<td>734,000</td>
<td>735,368</td>
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<tr>
<td><strong>Total</strong></td>
<td>$ 3,230,805</td>
<td>$ 3,288,000</td>
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<tr>
<td><strong>Other Excise Taxes:</strong></td>
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<td></td>
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<tr>
<td><strong>Cigarette</strong></td>
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<tr>
<td>FY 2022</td>
<td>99,410</td>
<td>90,000</td>
</tr>
<tr>
<td>FY 2023</td>
<td>90,000</td>
<td>90,000</td>
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<tr>
<td><strong>Tobacco Products</strong></td>
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<td></td>
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<tr>
<td>FY 2022</td>
<td>9,278</td>
<td>9,480</td>
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<tr>
<td>FY 2023</td>
<td>9,480</td>
<td>9,480</td>
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<tr>
<td><strong>Liquor Gallonage</strong></td>
<td></td>
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</tr>
<tr>
<td>FY 2022</td>
<td>22,101</td>
<td>22,300</td>
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<tr>
<td>FY 2023</td>
<td>22,300</td>
<td>22,300</td>
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<tr>
<td><strong>Liquor Enforcement</strong></td>
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<tr>
<td>FY 2022</td>
<td>75,121</td>
<td>75,700</td>
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<td>FY 2023</td>
<td>75,700</td>
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<tr>
<td><strong>Liquor Drink</strong></td>
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<tr>
<td>FY 2022</td>
<td>12,504</td>
<td>13,620</td>
</tr>
<tr>
<td>FY 2023</td>
<td>13,620</td>
<td>13,627</td>
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<tr>
<td><strong>Gas Severance</strong></td>
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<td>FY 2022</td>
<td>18,582</td>
<td>20,800</td>
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<tr>
<td>FY 2023</td>
<td>20,800</td>
<td>20,800</td>
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<tr>
<td><strong>Oil Severance</strong></td>
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<tr>
<td>FY 2022</td>
<td>30,675</td>
<td>32,900</td>
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<tr>
<td>FY 2023</td>
<td>32,900</td>
<td>34,106</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 267,670</td>
<td>$ 264,800</td>
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<tr>
<td><strong>Other Taxes:</strong></td>
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<td></td>
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<tr>
<td><strong>Insurance Premiums</strong></td>
<td>$ 136,377</td>
<td>$ 149,000</td>
</tr>
<tr>
<td>FY 2022</td>
<td>136,377</td>
<td>149,000</td>
</tr>
<tr>
<td>FY 2023</td>
<td>154,753</td>
<td>154,753</td>
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<tr>
<td><strong>Motor Carriers</strong></td>
<td>12,326</td>
<td>11,030</td>
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<tr>
<td><strong>Corporate Franchise</strong></td>
<td>7,417</td>
<td>8,000</td>
</tr>
<tr>
<td><strong>Miscellaneous</strong></td>
<td>4,137</td>
<td>4,760</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 160,256</td>
<td>$ 172,790</td>
</tr>
<tr>
<td><strong>Total Taxes</strong></td>
<td>$ 8,839,357</td>
<td>$ 9,162,590</td>
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<tr>
<td><strong>Other Revenue:</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>Interest</strong></td>
<td>$ 1,357</td>
<td>$ 148,800</td>
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<tr>
<td><strong>Transfers (net)</strong></td>
<td>(1,166,796)</td>
<td>(1,195,800)</td>
</tr>
<tr>
<td><strong>Agency Earnings &amp; Misc</strong></td>
<td>67,783</td>
<td>101,890</td>
</tr>
<tr>
<td><strong>Total Other Revenue</strong></td>
<td>(1,097,656)</td>
<td>(945,110)</td>
</tr>
<tr>
<td><strong>TOTAL RECEIPTS</strong></td>
<td>$ 7,741,702</td>
<td>$ 8,217,480</td>
</tr>
</tbody>
</table>

* Consensus Estimate as of April 20, 2023, as further adjusted for subsequent legislation enacted after that date.

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

The first quarter of 2023 saw inflation continue its recent cooling trend, but remain above levels consistent with long-term averages. The national Consumer Price Index (CPI-U) averaged an annual amount of 5.8 percent in the quarter, representing its third consecutive quarter of decline and its lowest quarterly average since the third quarter of 2021. The Midwest region saw average annual inflation for the quarter of 5.5 percent.

Housing costs and food were the largest contributors to inflation in the quarter. Housing alone made up approximately three-quarters of the total increase in prices. Meanwhile, energy costs and motor vehicle sales saw year-over-year price declines during the quarter.

The average hourly wage for Kansas private sector employees grew by an annual average amount of 3.1 percent for the quarter to $29.31. However, average weekly hours of employees declined by 1.7 percent to 29.31 hours per week, resulting in average year-over-year weekly earnings growth of 1.4 percent for the quarter to $988.64.

The Kansas unemployment rate averaged 2.9 percent for the quarter, which is up from an average of 2.4 percent for the first quarter of 2022 and 2.8 percent for the fourth quarter of 2022. This increase is entirely attributable to growth in the Kansas labor force of individuals seeking employment as Kansas households reported a year-over-year increase in the number of employed persons in the quarter and Kansas businesses reported annual increases in jobs during the quarter.

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). Links to the data sources for each indicator can be found under the respective graph.
12-Month Percent Changes in Unemployment Rate

<table>
<thead>
<tr>
<th>Region</th>
<th>January</th>
<th>February</th>
<th>March</th>
</tr>
</thead>
<tbody>
<tr>
<td>KS</td>
<td>16.0</td>
<td>20.8</td>
<td>20.8</td>
</tr>
<tr>
<td>US</td>
<td>-15.0</td>
<td>-5.3</td>
<td>-2.8</td>
</tr>
</tbody>
</table>

Kansas 12-Month Percent Changes in Employment

<table>
<thead>
<tr>
<th>Year</th>
<th>January</th>
<th>February</th>
<th>March</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>2.4</td>
<td>3.5</td>
<td>2.4</td>
</tr>
<tr>
<td>2023</td>
<td>3.4</td>
<td>3.1</td>
<td>2.8</td>
</tr>
</tbody>
</table>