

April 26, 2011

To: Governor Sam Brownback and Legislative Budget Committee
From: Kansas Division of the Budget and Kansas Legislative Research Department
Re: State General Fund Receipt Revisions for FY 2011 and FY 2012

Estimates for the State General Fund (SGF) are developed using a consensus process that involves the Division of the Budget, Legislative Research Department, Department of Revenue, and three consulting economists from state universities. This estimate is the base from which the Governor and the Legislature build the annual budget. The Consensus Group met on April 15, 2011, and decreased the overall estimate for both fiscal years by a combined \$31.7 million relative to the previous estimate made in November. The revised estimates incorporate the fiscal impact of all 2011 legislation previously signed into law by April 15.

For FY 2011, the estimate was decreased by \$10.2 million, or 0.2 percent, below the November estimate. The estimate for total taxes was decreased by \$1.3 million, while the estimate for other revenues was decreased by \$8.9 million. The overall revised SGF estimate of \$5.775 billion represents an 11.2 percent increase above final FY 2010 receipts. The increase includes the impact of the retail sales and compensating use tax increase enacted last year.

The revised estimate for FY 2012 of \$5.789 billion was decreased by \$21.5 million, or 0.4 percent below the November estimate. The estimate for total taxes was decreased by \$15.7 million, while the estimate for other revenues was decreased by \$5.8 million. The new forecast for FY 2012 represents a 0.2 percent increase above the newly revised FY 2011 figure.

Table 1 compares the new FY 2011 and FY 2012 estimates with actual receipts from FY 2012.

Economic Forecast for Kansas Summary

A great deal of uncertainty on the state's economy remains, as a number of economic indicators are estimated to show only modest improvements over the next few years. Significant concerns remain on the effect of higher oil prices and employment levels for many of the state's key sectors, including aviation manufacturing and telecommunications. Current forecasts call for the nominal Gross Domestic Product to grow by 4.1 percent in 2011 and by 5.6 percent in 2012 (coming off a 3.8 percent increase in 2010). Estimates of nominal Kansas Gross State

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Product used in November of 4.1 percent for 2011 and 5.8 percent for 2012 have now been decreased to 4.0 percent and 5.3 percent, respectively. The Consensus estimates contained in this memo are based on the continued modest recovery of the state's economy during the balance of FY 2011 and slightly accelerated growth throughout FY 2012.

Federal Legislation

Since the estimates were made last fall, one important new development relates to the federal enactment of the Tax Relief Act of 2010. Because Kansas generally begins computation of its income tax liability using federal tax law as a starting point, a number of provisions of this federal tax law changes will flow through and also affect state income tax receipts. The new federal tax provisions will allow for 100.0 percent expensing of certain capital investments made through the end of calendar year 2011 and will allow for 50.0 percent bonus depreciation for certain capital investments made in tax year 2012, removes limitations on itemized deductions by high-income taxpayers, and extends the expansion of the Dependent Care Tax Credit and Earned Income Tax Credit that were set to expire in 2010. The new federal tax provisions are estimated to reduce individual and corporation income tax receipts for the two fiscal years by a total of \$77.0 million (\$24.0 million in FY 2011 and \$53.0 million in FY 2012). The estimated fiscal effect on SGF receipts for each of the specific federal tax law changes are estimated as follows:

<u>Federal Tax Law Change</u>	<u>FY 2011</u>	<u>FY 2012</u>
100% Expensing/50% Bonus Depreciation	(\$24,000,000)	(\$36,500,000)
Removal of Limitations on Itemized Deductions	--	(10,000,000)
Expansion of Dependent Care Tax Credits	--	(2,500,000)
Expansion of Earned Income Tax Credits	--	(4,000,000)
Total	(\$24,000,000)	(\$53,000,000)

This fiscal effect accounts for only the reduction of individual and corporate income tax receipts as a result of the passage of the Tax Relief Act of 2010 and does not account for possible increases in revenue from other tax sources as a result of increased disposable income.

Kansas Personal Income

Kansas Personal Income (KPI) in 2010 increased by 2.7 percent over the 2009 level (after having fallen by 1.9 percent in 2009). KPI is currently expected to increase by 4.1 percent in 2011 and 5.4 percent in FY 2012. The new 2011 estimate improved slightly from the KPI forecasts used in November which showed KPI increasing by 3.4 percent, while the 2012 KPI estimate decreased slightly from the 5.6 percent shown in November. Current estimates are that overall US Personal Income (USPI) growth will fare moderately better than KPI, with nominal USPI estimates of 4.2 percent in 2011 and 6.0 percent in 2012.

Employment

Data obtained from the Kansas Department of Labor indicate that employment levels which had been relatively stable since the fall of 2009, declined over the winter months and may suggest that jobs were temporarily lost due to weather. Data shows that a total of 6,600

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construction job were lost in January and February, which would likely be short-term job losses that would be expected to return in future monthly data releases. The most recent monthly data show that total Kansas non-farm employment from February 2010 to February 2011 had decreased by 10,500 jobs or 0.8 percent. Data also indicate that private sector jobs decreased by 6,800 in February while government jobs increased by 4,900 for a net loss of 1,900 jobs in the month of February. Current estimates indicate that the overall Kansas unemployment rate, which was 7.0 percent in CY 2010, is expected to decrease to 6.8 percent in CY 2011 and 6.1 percent in CY 2012. The national unemployment rate is expected to remain above the Kansas rate, with the US rate now expected to be 9.4 percent in 2011 and 8.4 percent in 2012.

Agriculture

The outlook for net farm income continues to improve with relatively strong production levels, higher sustained commodity prices, and rising farmland values. The All Crops Index of Prices received by Kansas farmers was 245 in March, down 19 points from February, but up 88 points from 2010. The latest prospective plantings report indicates that farmers expect to plant 20.4 million acres of the four major grain crops in 2011, up 2.5 percent from 2010. If realized, the amount of acres planted with corn would be the largest since 1936 and the amount of acres planted with corn and soybeans would be greater than the amount of acres planted with wheat for the second year in a row. This would be the second lowest amount of acres planted with wheat since 1957 and the second highest amount of acres devoted to soybeans. Average livestock prices in mid-March were above prices from a year earlier.

Oil and Gas

The average price per taxable barrel of Kansas crude oil is now estimated to be \$77 in FY 2011 (up from the \$73 estimate used in November) and reflects the annualized effect of the recent increase in world prices since the November estimate. The estimated average price of \$82 per barrel for FY 2012 (up from \$75 in November) takes into account current oil futures price expectations that have been impacted significantly by recent political tension in several large oil producing countries. A great deal of uncertainty remains about forecasting the price of this commodity; however, it appears that high prices will continue in the foreseeable future. Gross oil production in Kansas, which had steadily increased since FY 2005, fell slightly in FY 2010. The current forecasts of 40.0 million barrels for FY 2011 and 41.0 million barrels for FY 2012 will continue the pattern of steady growth in production and reflects the expectation that production levels will increase from the November estimate of 39.0 million barrels for both FY 2011 and FY 2012. It is estimated that 48.0 percent of all Kansas oil produced will not be subject to severance taxation because of various exemptions in state law.

The price of natural gas is expected to average \$3.85 per mcf for FY 2011 before increasing to \$4.15 per mcf for FY 2012, based on an industry source's analysis of futures markets. The new price estimates are slightly higher than the \$3.60 and \$3.95 estimates used in the fall. Factors considered in revising the price forecasts included the relationship between crude oil and gas prices, the current relatively high storage levels for gas, industrial demand, and the impact of enhanced production from shale formations elsewhere in the United States. Kansas natural gas production in FY 2010 of 347.6 million cubic feet represented a significant decrease

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from the modern era peak of 730.0 million cubic feet in FY 1996 (largely as a result of depleting reserves in the Hugoton Field). Production is estimated to continue to decrease in the future and is expected to be 320.0 million cubic feet in FY 2011 before decreasing to 300.0 million cubic feet in FY 2012. Approximately 10.0 percent of natural gas produced is expected to be exempt from severance taxation in both FY 2011 and FY 2012.

Inflation Rate

The Consumer Price Index for all Urban consumers (CPI-U) increased by 1.6 percent in 2010, which is identical to the November forecast. The current forecasts of 2.2 percent for both 2011 and 2012 indicate that inflation will likely continue to be held in check by aggressive Federal Reserve monetary policy. The inflation expectations have changed slightly since the forecast reported in November, which showed that inflation would increase by 1.6 percent in 2011 and by 2.4 percent in 2012.

Interest Rates

The Pooled Money Investment Board is authorized to make investments in U.S. Treasury and agency securities; highly rated commercial paper and corporate bonds; as well as repurchase agreements and certificates of deposit of Kansas banks. Low idle fund balances compared to previous years require PMIB to maintain a highly liquid portfolio, which reduces the amount of return available to the pool. In FY 2010, the state earned 0.96 percent on its SGF portfolio (compared with a 2.20 percent rate in FY 2009). The average rate of return forecasted for FY 2011 is now 0.47 percent (down slightly from the 0.53 percent estimate used in November). For FY 2012, the forecasted rate is 0.27 percent (up slightly from the 0.24 percent rate assumed in November), but greater than expected cash balances are projected to bring in slightly more earnings to the State General Fund.

Economic Forecasts

	<u>CY 10</u>	<u>CY 11*</u>	<u>CY 12*</u>
KPI Growth	2.7%	4.1%	5.4%
Inflation (CPI-U)	1.6%	2.2%	2.2%
	<u>FY 10</u>	<u>FY 11*</u>	<u>FY 12*</u>
SGF Interest	0.96%	0.47%	0.27%
Oil and Gas			
Oil Price per bbl	\$66.49	\$77.00	\$82.00
Gross Prod. (000)	39,310	40,000	41,000
Gas Price per mcf	\$3.74	\$3.85	\$4.15
Gas Taxable Value (000)	1,162,951	1,108,800	1,120,500

* Estimated

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State General Fund Receipts Estimates

FY 2011. The revised estimate of SGF receipts for FY 2011 is \$5.775 billion, a decrease of \$10.2 million from the previous estimate made in November. Total SGF receipts through March were running \$18.7 million below the previous estimate. The revised estimate is \$583.7 million or 7.1 percent above actual FY 2010 receipts.

Each individual SGF source was reevaluated independently and consideration was given to revised and updated economic forecasts, collection information from the Departments of Revenue and Insurance, and year-to-date receipts.

The estimate of total taxes was decreased by \$1.3 million, while the estimate of other revenue was decreased by \$8.9 million. Total taxes in FY 2011, which include the impact of the retail sales and compensating use tax increase and other tax law changes enacted by the 2010 Legislature, are now expected to be \$608.0 million or 12.2 percent above FY 2010 collections, which were \$422.4 million or 7.8 percent below the FY 2009 figure.

The estimate for corporation income taxes was decreased by \$29.0 million, which includes an estimated \$19.0 million from the state impact of the federal tax law changes that were made in December. Receipts through March were running \$23.0 million below the prior fiscal year-to-date estimate. The retail sales tax estimate was reduced by \$10.0 million, which takes into account that actual year-to-date receipts through March were down \$9.4 million. The estimate for agency earnings was reduced by \$7.3 million reflecting lower than expected year-to-date receipts including district court fines, penalties, and fees. Other receipt estimates that were reduced by at least \$1.0 million include the cigarette tax (reduced by \$3.0 million), net transfers (reduced by \$2.6 million), estate tax (reduced by \$2.5 million), and the liquor enforcement tax (reduced by \$1.0 million).

On the positive side, the individual income tax estimate, which had been \$5.7 million higher than the year-to-date estimate through March, was increased by \$17.8 million based on stronger Kansas Personal Income (KPI) growth and the assumptions that modest employment growth will occur over the remainder of the fiscal year. However, the individual income tax estimate would have been \$5.0 million higher if not for the estimated state impact of the federal tax law changes that were made in December.

As noted earlier, the severance tax estimate was increased largely as a result of significantly higher prices for oil and slightly higher prices for gas than had been assumed in the fall. The overall severance tax estimate was increased by \$10.1 million (\$7.2 million attributable to oil and \$2.9 million attributable to gas). Severance tax receipts were only \$1.1 million above the previous estimate through March; however, with higher sustained prices and increased oil production levels it is anticipated that severance tax receipts will increase substantially in the remainder of fiscal year.

The estimate for the insurance premiums tax was increased by \$8.0 million, from \$124.0 million to \$132.0 million, based on higher year-to-date receipts that were already \$12.4 million ahead of the November estimate. The increase in receipts is expected to be partially offset by

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higher than previously expected refunds for the remainder of the fiscal year. Other revenue sources that were increased by at least \$1.0 million include the corporate franchise tax (increased by \$6.0 million), compensating use tax (increased by \$3.0 million), and SGF interest (increased by \$1.0 million). Details of the current year's revised estimate are reflected in Table 2.

FY 2012. SGF receipts are estimated to be \$5.789 billion in FY 2012, a decrease of \$21.5 million relative to the November estimate. The new FY 2012 figure is \$14.2 million or 0.2 percent above the newly revised FY 2011 estimate. This result is heavily influenced by an increase of \$208.8 million in net transfers from the SGF which will occur absent any change in current law. The estimate of total taxes was decreased by \$15.7 million or 0.3 percent below the previous estimate made in November. Total taxes in FY 2012 are now projected to increase by 4.0 percent above the newly revised FY 2011 amount, to reflect the modest economic recovery.

The estimate for corporation income taxes was decreased by \$44.0 million, which includes an estimated \$29.0 million from the state impact of the federal tax law changes that were made in December. The retail sales tax estimate was reduced by \$10.0 million, tempered by the effects of sustained higher oil prices on consumer spending. Other receipt estimates that were reduced by at least \$1.0 million include agency earnings (reduced by \$5.6 million), cigarette tax (reduced by \$5.0 million), net transfers (reduced by \$1.4 million), and the liquor enforcement tax (reduced by \$1.0 million).

The individual income tax estimate was increased by \$21.0 million based on the expectation of continued positive growth in KPI and modest employment growth. The individual income tax estimate would have been \$25.5 million higher if not for the estimated state impact of the federal tax law changes that were made in December (\$24.0 million) and SB 198 which was signed into law by the Governor that establishes the Rural Opportunity Zone tax credit (\$1.5 million). The overall severance tax estimate was increased by \$13.4 million (\$11.2 million attributable to oil and \$2.2 million attributable to gas). The insurance premiums tax (increased by \$8.0 million), compensating use tax (increased by \$2.0 million), and SGF interest (increased by \$1.2 million) were the only revenue sources to have their estimates increased by more than \$1.0 million. Details of the revised estimate for FY 2012 are reflected in Table 3.

Accuracy of Consensus Revenue Estimates

For 36 years, SGF revenue estimates for Kansas have been developed using the consensus revenue estimating process. Besides the three state agencies identified on the first page, the economists currently involved in the process are Joe Sicilian from the University of Kansas, Tracy Turner from Kansas State University, and Nancy McCarthy Snyder from Wichita State University. Each of the agencies and individuals involved in the process prepared independent estimates and met on April 15, 2011, to discuss estimates and come to a consensus for each fiscal year.

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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	5,693.3	(7.1)	(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	5,191.2	(783.0)	(13.1)	(99.8)	(1.9)

* 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 affected 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 Consensus Estimating Group. It also includes the estimated impact of legislation on receipts.

The table (above) presents estimates compared to actual receipts since FY 1975, the fiscal year for which the current process was initiated. First, the adjusted original estimate is compared to actual collections and then the final estimate is compared to actual receipts.

Concluding Comments

Consensus revenue estimates are based on current federal and state laws and their current interpretation. These estimates will be further adjusted at the conclusion of the 2011 Legislative Session to reflect state legislation enacted after April 15 which affects SGF receipts.

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Table 1
Consensus Revenue Estimate for Fiscal Years 2011 and 2012
and FY 2010 Actual Receipts
(Dollars in Thousands)

	FY 2010 (Actual)		FY 2011 (Revised)		FY 2012 (Revised)	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax:						
Motor Carrier	\$ 24,993	(14.6) %	\$ 25,500	2.0 %	\$ 27,000	5.9 %
Income Taxes:						
Individual	\$ 2,418,208	(9.8) %	\$ 2,595,000	7.3 %	\$ 2,726,000	5.0 %
Corporation	224,940	(6.4)	231,000	2.7	231,000	--
Financial Inst.	16,515	(36.9)	21,000	27.2	21,500	2.4
Total	\$ 2,659,663	(9.8) %	\$ 2,847,000	7.0 %	\$ 2,978,500	4.6 %
Estate Tax	\$ 8,396	(62.7) %	\$ 500	(94.0) %	\$ --	(100.0) %
Excise Taxes:						
Retail Sales	\$ 1,652,037	(2.2) %	\$ 1,990,000	20.5 %	\$ 2,080,000	4.5 %
Compensating Use	205,540	(12.5)	283,000	37.7	297,000	4.9
Cigarette	99,829	(6.9)	94,000	(5.8)	92,000	(2.1)
Tobacco Products	6,352	10.9	6,500	2.3	6,700	3.1
Cereal Malt Bev.	1,989	(4.8)	1,850	(7.0)	1,850	--
Liquor Gallonage	17,953	(1.4)	18,800	4.7	19,200	2.1
Liquor Enforcement	54,827	1.9	57,000	4.0	58,000	1.8
Liquor Drink	8,930	(2.3)	9,000	0.8	9,100	1.1
Corp. Franchise	41,462	(0.6)	24,000	(42.1)	8,000	(66.7)
Severance	81,870	(34.1)	102,900	25.7	107,700	4.7
Gas	39,988	(45.8)	41,600	4.0	41,600	--
Oil	41,882	(17.0)	61,300	46.4	66,100	7.8
Total	\$ 2,170,788	(5.1) %	\$ 2,587,050	19.2 %	\$ 2,679,550	3.6 %
Other Taxes:						
Insurance Prem.	\$ 120,375	0.7 %	\$ 132,000	9.7 %	\$ 133,000	0.8 %
Miscellaneous	1,655	(7.7)	1,800	8.8	2,000	11.1
Total	\$ 122,030	0.5 %	\$ 133,800	9.6 %	\$ 135,000	0.9 %
Total Taxes	\$ 4,985,870	(7.8) %	\$ 5,593,850	12.2 %	\$ 5,820,050	4.0 %
Other Revenues:						
Interest	\$ 24,629	(61.6) %	\$ 18,400	(25.3) %	\$ 13,000	(29.3) %
Net Transfers	127,410	274.1	113,700	(10.8)	(95,100)	(183.6)
Agency Earnings	53,365	(34.0)	49,000	(8.2)	51,200	4.5
Total	\$ 205,403	14.7 %	\$ 181,100	(11.8) %	\$ (30,900)	(117.1) %
Total Receipts	\$ 5,191,273	(7.1) %	\$ 5,774,950	11.2 %	\$ 5,789,150	0.2 %

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Table 2
State General Fund Receipts
FY 2011 Revised
Comparison of November 2010 Estimate to April 2011 Estimate
(Dollars in Thousands)

	FY 2011 CRE Est.	FY 2011 CRE Est.	Difference	
	Revised 11/02/10	Revised 04/15/11	Amount	Pct. Chg.
Property Tax:				
Motor Carrier	\$ 26,000	\$ 25,500	\$ (500)	(1.9) %
Income Taxes:				
Individual	\$ 2,577,175	\$ 2,595,000	\$ 17,825	0.7 %
Corporation	260,000	231,000	(29,000)	(11.2)
Financial Inst.	20,770	21,000	230	1.1
Total	\$ 2,857,945	\$ 2,847,000	\$ (10,945)	(0.4) %
Estate Tax	\$ 3,000	\$ 500	\$ (2,500)	(83.3) %
Excise Taxes:				
Retail Sales	\$ 2,000,000	\$ 1,990,000	\$ (10,000)	(0.5) %
Compensating Use	280,000	283,000	3,000	1.1
Cigarette	97,000	94,000	(3,000)	(3.1)
Tobacco Product	6,600	6,500	(100)	(1.5)
Cereal Malt Beverage	1,900	1,850	(50)	(2.6)
Liquor Gallonage	18,800	18,800	--	--
Liquor Enforcement	58,000	57,000	(1,000)	(1.7)
Liquor Drink	9,300	9,000	(300)	(3.2)
Corporate Franchise	18,000	24,000	6,000	33.3
Severance	92,800	102,900	10,100	10.9
Gas	38,700	41,600	2,900	7.5
Oil	54,100	61,300	7,200	13.3
Total	\$ 2,582,400	\$ 2,587,050	\$ 4,650	0.2 %
Other Taxes:				
Insurance Premiums	\$ 124,000	\$ 132,000	\$ 8,000	6.5 %
Miscellaneous	1,800	1,800	--	--
Total	\$ 125,800	\$ 133,800	\$ 8,000	6.4 %
Total Taxes	\$ 5,595,145	\$ 5,593,850	\$ (1,295)	(0.0) %
Other Revenues:				
Interest	\$ 17,400	\$ 18,400	\$ 1,000	5.7 %
Net Transfers	116,300	113,700	(2,600)	(2.2)
Agency Earnings	56,320	49,000	(7,320)	(13.0)
Total Other Revenue	\$ 190,020	\$ 181,100	\$ (8,920)	(4.7) %
Total Receipts	\$ 5,785,165	\$ 5,774,950	\$ (10,215)	(0.2) %

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Table 3
State General Fund Receipts
FY 2012 Revised
Comparison of November 2010 Estimate to April 2011 Estimate
(Dollars in Thousands)

	FY 2012 CRE Est. Revised 11/02/10	FY 2012 CRE Est. Revised 04/15/11	Difference	
			Amount	Pct. Chg.
Property Tax:				
Motor Carrier	\$ 27,000	\$ 27,000	\$ --	-- %
Income Taxes:				
Individual	\$ 2,705,000	\$ 2,726,000	\$ 21,000	0.8 %
Corporation	275,000	231,000	(44,000)	(16.0)
Financial Inst.	21,000	21,500	500	2.4
Total	\$ 3,001,000	\$ 2,978,500	\$ (22,500)	(0.7) %
Estate Tax	\$ --	\$ --	\$ --	-- %
Excise Taxes:				
Retail Sales	\$ 2,090,000	\$ 2,080,000	\$ (10,000)	(0.5) %
Compensating Use	295,000	297,000	2,000	0.7
Cigarette	97,000	92,000	(5,000)	(5.2)
Tobacco Product	6,800	6,700	(100)	(1.5)
Cereal Malt Beverage	1,900	1,850	(50)	(2.6)
Liquor Gallonage	19,200	19,200	--	--
Liquor Enforcement	59,000	58,000	(1,000)	(1.7)
Liquor Drink	9,500	9,100	(400)	(4.2)
Corporate Franchise	8,000	8,000	--	--
Severance	94,300	107,700	13,400	14.2
Gas	39,400	41,600	2,200	5.6
Oil	54,900	66,100	11,200	20.4
Total	\$ 2,680,700	\$ 2,679,550	\$ (1,150)	(0.0) %
Other Taxes:				
Insurance Premiums	\$ 125,000	\$ 133,000	\$ 8,000	6.4 %
Miscellaneous	2,000	2,000	--	--
Total	\$ 127,000	\$ 135,000	\$ 8,000	6.3 %
Total Taxes	\$ 5,835,700	\$ 5,820,050	\$ (15,650)	(0.3) %
Other Revenues:				
Interest	\$ 11,800	\$ 13,000	\$ 1,200	10.2 %
Net Transfers	(93,700)	(95,100)	(1,400)	(1.5)
Agency Earnings	56,800	51,200	(5,600)	(9.9)
Total Other Revenue	\$ (25,100)	\$ (30,900)	\$ (5,800)	(23.1) %
Total Receipts	\$ 5,810,600	\$ 5,789,150	\$ (21,450)	(0.4) %

Appropriations Committee

Date May 3, 2011

Attachment 1-10