

# KANSAS LEGISLATIVE RESEARCH DEPARTMENT

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October 4, 2012

To: Legislative Budget Committee

## STATE GENERAL FUND RECEIPTS July through September, FY 2013

For the first four months of FY 2013, estimates of State General Fund (SGF) receipts are based upon the consensus estimates of April 13, 2012, as subsequently adjusted for legislation enacted after that date.

**Total receipts for July through September, the first three months or first quarter of FY 2013, were \$41.2 million or 2.9 percent above the estimate. The component of total SGF receipts from taxes only was \$16.0 million or 1.1 percent above the estimate.**

Tax sources that exceeded the estimate by more than \$1.0 million were: corporate income (\$36.0 million or 55.4 percent); retail sales (\$3.3 million or 0.6 percent); financial institution (\$2.8 million or 66.6 percent); and motor carriers (\$2.0 million or 94.1 percent).

Tax sources that fell below the estimate by more than \$1.0 million were: severance (\$12.2 million or 56.5 percent); corporate franchise (\$10.4 million); individual income (\$4.9 million or 0.7 percent); and compensating use (\$1.5 million or 1.8 percent).

September receipts reflect the first quarter's experience for FY 2012. The month's receipts include the first estimated payment of individual income taxes for the fiscal year. As such, September receipt balances are more of an indicator on the economic activity of the state than only one month's receipts. Individual income withholding through September was \$37.0 million or 5.5 percent **more** than the same period last fiscal year. When looking at only September retail sales tax receipts of FY 2012 as compared to FY 2011 receipts, there was growth of 3.4 percent.

Corporation income tax receipts reflect significant growth (more than \$28.0 million) in estimated payments during September over the same month last year; and also reflect approximately \$11.0 million transferred toward corporation income tax liability at the request of taxpayers who had mistakenly paid corporation franchise taxes without realizing the latter tax has now been repealed. (Corporation franchise tax receipts also now reflect this transfer.)

The reduction in severance tax receipts below the fiscal-year-to-date estimate reflect lower prices thus far for both oil and gas than had been forecast in April, as well as the fact that the September transfer to the Oil and Gas Depletion Trust Fund was about \$2.0 million more than had previously been forecast.

Joint Legislative Budget Committee  
October 9 and 10, 2012  
Attachment: 25

Interest was above the estimate by \$1.2 million. Agency earnings were \$1.6 million above the estimate by \$1.6 million. Net transfers were \$22.4 million less than anticipated.

**Total SGF receipts through September of FY 2013 are \$35.9 million or 2.5 percent above FY 2012 for the same period. Tax receipts only for the same period were above FY 2011 by \$70.7 million or 4.9 percent.**

This report excludes the July 1 deposit to the SGF of \$400.0 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-September, FY 2013  
 (dollar amounts in thousands)

	Actual FY 2012		FY 2013		Percent change relative to:	
		Estimate*	Actual	Difference	FY 2012	Estimate
<b>Property Tax:</b>						
Motor Carriers	\$ 2,921	\$ 2,100	\$ 4,076	\$ 1,976	(39.5) %	94.1 %
<b>Income Taxes:</b>						
Individual	\$ 673,102	\$ 715,000	\$ 710,098	\$ (4,902)	5.5 %	(0.7) %
Corporation	56,865	65,000	101,028	36,028	77.7	55.4
Financial Inst.	3,084	4,200	6,998	2,798	126.9	66.6
Total	\$ 733,051	\$ 784,200	\$ 818,124	\$ 33,924	11.6 %	4.3 %
<b>Excise Taxes:</b>						
Retail Sales	\$ 536,975	\$ 552,000	\$ 555,264	\$ 3,264	3.4 %	0.6 %
Comp. Use	77,145	83,000	81,474	(1,526)	5.6	(1.8)
Cigarette	25,408	23,500	23,760	260	(6.5)	1.1
Tobacco Prod.	1,845	1,775	1,859	84	0.8	4.7
Cereal Malt Bev.	562	545	565	20	0.5	3.7
Liquor Gallonage	4,824	5,000	5,062	62	4.9	1.2
Liquor Enforce.	14,626	15,000	15,017	17	2.7	0.1
Liquor Drink	2,294	2,250	2,368	118	3.2	5.2
Corp. Franchise	4,481	700	(9,738)	(10,438)	--	--
Severance	31,857	21,500	9,350	(12,150)	(70.7)	(56.5)
Gas	13,159	5,500	928	(4,572)	(92.9)	(83.1)
Oil	18,698	16,000	8,422	(7,578)	(55.0)	(47.4)
Total	\$ 700,017	\$ 705,270	\$ 684,981	\$ (20,289)	(2.1) %	(2.9) %
<b>Other Taxes:</b>						
Insurance Prem.	\$ (826)	\$ (950)	\$ (968)	\$ (18)	-- %	-- %
Miscellaneous	1,062	300	697	397	--	--
Total	\$ 236	\$ (650)	\$ (271)	\$ 379	-- %	-- %
<b>Total Taxes</b>	<b>\$ 1,436,224</b>	<b>\$ 1,490,920</b>	<b>\$ 1,506,910</b>	<b>\$ 15,990</b>	<b>4.9 %</b>	<b>1.1 %</b>
<b>Other Revenue:</b>						
Interest	\$ 2,907	\$ 2,100	\$ 3,256	\$ 1,156	12.0 %	55.0 %
Transfers (net)	(42,392)	(100,250)	(77,803)	22,447	83.5	22.4
Agency Earnings and Misc.	11,419	10,100	11,671	1,571	2.2	15.6
Total	\$ (28,066)	\$ (88,050)	\$ (62,876)	\$ 25,174	124.0 %	-- %
<b>TOTAL RECEIPTS</b>	<b>\$ 1,408,158</b>	<b>\$ 1,402,870</b>	<b>\$ 1,444,034</b>	<b>\$ 41,164</b>	<b>2.5 %</b>	<b>2.9 %</b>

Consensus estimate as of April 13, 2012, as subsequently adjusted for legislation enacted after that date.

Excludes a Certificate of Indebtedness of \$400 million, that must be redeemed prior to the end of the fiscal year.

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