



Kansas Legislative Research Department

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

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November 22, 2024

To: Governor Laura Kelly and Legislative Coordinating Council

From: Kansas Legislative Research Department and Kansas Division of the Budget

Re: State General Fund Revenue Estimates for FY 2025 and FY 2026

Estimates for the State General Fund (SGF) are developed using a consensus process that involves the Legislative Research Department, Division of the Budget, Department of Revenue, and 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 November 15, 2024, to revise the estimates for fiscal year (FY) 2025 and to make its initial forecast for FY 2026. For FY 2025, the previous estimates were made in April 2024 and subsequently adjusted for legislation enacted during the veto session and the 2024 Special Session.

The overall estimate for FY 2025 was decreased by \$59.8 million. Of this amount, the estimate for total taxes was decreased by \$72.2 million, while the estimate for other revenues was increased by \$12.4 million.

Table 1 compares the revised estimates for FY 2025 and the initial estimates for FY 2026 with actual receipts from FY 2024. Table 2 shows the changes to the previous FY 2025 estimate.

Economic Forecast for Kansas

The Kansas economy is expected to experience modest real growth throughout the forecast period. Inflation is expected to slowly return to normal levels throughout the forecast period as nominal growth rates will stabilize after several years of rapid growth. Major economic variables have been adjusted since the Consensus Group last convened in April 2024, including Gross State Product (GSP) and Kansas Personal Income (KPI). The forecasted rates of nominal growth in the national and Kansas economies have been decreased for calendar year (CY) 2024, CY 2025, and CY 2026. Nominal U.S. Gross Domestic Product (GDP) is now expected to increase by 4.8 percent in CY 2024, down from the previous forecast of 5.4 percent, and nominal U.S. GDP growth in CY 2025 and CY 2026 is now forecast to be 4.5 percent and 4.2 percent, respectively, down from the previous estimates of 4.7 percent and 4.4 percent. Nominal Kansas GSP is now expected to increase by 4.7 percent in CY 2024, down from a previous projected increase of 5.4 percent. Additionally, nominal Kansas GSP is expected to grow by 4.4 percent and 4.2 percent in CY 2025 and CY 2026, respectively, down from the previous estimates of 4.7 percent and 4.4 percent.

The Consumer Price Index for All Urban Consumers (CPI-U) is now projected to increase by 2.5 percent in CY 2024, down from the previous forecast of 3.0 percent, and consumer price growth in CY 2025 and CY 2026 is now forecast to be 2.3 percent and 2.2 percent, respectively, down from the previous estimates of 2.5 percent and 2.4 percent.

The forecast does retain concern for the overall economy due to the impacts of sustained elevated interest rates and lingering high inflation, as well as more typical concerns related to multiple geopolitical conflicts, costs of health care, volatility in energy prices, tariffs or possible trade war effects on commodity prices, and consumer demand for products and services subject to sales taxation.

Personal Income

The previous 5.4 percent increase estimated for CY 2024 nominal KPI has now been revised to an increase of 4.7 percent, as both inflation and real growth has cooled since the spring. The estimated CY 2025 nominal KPI growth has been decreased from 4.7 percent to 4.4 percent, and the CY 2026 estimate has been decreased from 4.4 percent to 4.2 percent. The latest national estimates show nominal U.S. personal income (USPI) growth of 4.8 percent in CY 2024, 4.5 percent in CY 2025, and 4.0 percent in CY 2026.

Employment

The overall Kansas unemployment rate is expected to increase from 2.7 percent experienced in CY 2023 to 3.0 percent in CY 2024, which is equal to the 3.0 percent at the time of the previous estimate. Kansas unemployment rates are now forecast to rise to 3.4 percent in CY 2025, which is up from a forecast of 3.2 percent at the time of the previous estimate, and drop slightly to 3.3 percent in CY 2026. The national unemployment rate is projected to remain above the Kansas rate, with the U.S. rate now expected to be 4.1 percent in CY 2024, 4.4 percent in CY 2025, and 4.3 percent in CY 2026. Previous expectations were for a 4.0 percent national unemployment rate in CY 2024, 4.1 percent in CY 2025, and 4.0 percent in CY 2026.

Kansas employers added 20,500 non-farm jobs from September 2023 to September 2024, but job growth has been largely flat over the past six months. Kansas' labor force participation rate was 66.2 percent as of September 2024, down from the February 2020 level of 67.0 percent. An aging workforce continues to result in Kansas employers struggling to fill open positions as the number of job openings continues to exceed the number of unemployed individuals.

Agriculture

After strong net farm income in 2023, declining commodity prices and rising production expenses have resulted in a forecast decline of 30.0 percent in Kansas net farm income in 2024. Corn, wheat, and soybean production increased in 2024 relative to 2023, while sorghum declined over the year. Drought conditions, which plagued the state throughout 2023 before moderating in early 2024, have begun to show signs of worsening in the latter part of the year. Additionally, farmer sentiment about the agricultural economy has reached its lowest level since 2016.

Oil and Gas

The long-term declines in oil and natural gas production by the Kansas energy sector is expected to continue during the forecast period. Oil production, which was 27.1 million barrels in FY 2024, is now expected to be 25.0 million barrels by the end of the forecast period. The forecasted average price for Kansas taxable crude for FY 2025 is now estimated to be \$62 per barrel, which is lower than the \$70 per barrel used in the April 2024 estimate. Of all Kansas oil produced, 53.0 percent is estimated to be exempt from severance taxation due to various exemptions in state law for both FY 2025 and FY 2026, which is slightly up from previous expectations but below the actual level of 54.2 percent that was exempt in FY 2024.

Kansas natural gas prices are expected to remain low throughout FY 2025 and return to more normal levels in FY 2026 after higher prices in FY 2023 gave way to lower prices for gas produced in FY 2024. The FY 2025 forecasted taxable price for natural gas was decreased from \$2.35 to \$1.75 per thousand cubic feet (Mcf). Approximately 60.0 and 50.0 percent of natural gas produced is expected to be exempt from severance taxation in FY 2025 and FY 2026, respectively. Gas production, which was nearly 300.0 million Mcf in FY 2015, is now expected to be 113.0 million Mcf by FY 2026 as production from the Hugoton Field continues to decline.

Interest Rates

The Pooled Money Investment Board (PMIB) is authorized to make investments in U.S. Treasury and federal agency securities, highly rated commercial paper and corporate bonds, repurchase agreements, and certificates of deposit at Kansas banks. The State earned 5.33 percent on the Pooled Money Investment Portfolio for FY 2024. Current projections utilize earnings of 4.55 percent for FY 2025 and 3.47 percent for FY 2026.

Incorporated Estimated Fiscal Impacts of Legislation

The estimates include the effects of previously enacted state and federal legislation. For sales and use taxes, these effects include the final reduction in the sales tax rate on food and food ingredients and an additional change in the disposition of revenues percentages for the SGF and the State Highway Fund to take effect January 1, 2025.

For income taxes, these effects include corporation income tax rate reductions in 2024 attributable to an agreement being entered into with Panasonic pursuant to the Attracting Powerful Economic Expansion Act (APEX). A previously anticipated rate reduction associated with an APEX agreement with Integra is no longer included in the estimates.

Additionally, the estimates incorporate the effects of 2024 Special Session SB 1, which exempts Social Security benefits from the income tax, increases standard deduction and personal exemption amounts, and restructures the state's individual income tax structure from three brackets to two.

ECONOMIC FORECASTS

	<u>CY 2024*</u>	<u>CY 2025*</u>	<u>CY 2026*</u>
U.S. Real GDP Growth	2.3 %	2.2 %	2.0 %
Kansas Real GSP Growth	2.2	2.1	2.0
Nominal USPI Growth	4.8	4.5	4.0
Nominal KPI Growth	4.7	4.4	4.2
Inflation (CPI-U)	2.5	2.3	2.2
Corporate Profits Before Tax	3.2	2.6	2.6
U.S. Unemployment Rate	4.1	4.4	4.3
Kansas Unemployment Rate	3.0	3.4	3.3

* Estimated

OIL AND GAS

	<u>FY 2024</u>	<u>FY 2025*</u>	<u>FY 2026*</u>
Oil Price per Barrel	\$ 74.73	\$ 62.00	\$ 58.00
Gross Oil Production (000)	27,108	26,000	25,000
Gas Price per Mcf	\$ 2.08	\$ 1.75	\$ 2.60
Gross Gas Production (000)	133,143	123,000	113,000

* Estimated

State General Fund Receipts Estimates

Each individual SGF revenue source was reevaluated independently, and consideration was given to revised and updated economic forecasts, collection information from the Kansas Department of Revenue and Kansas Insurance Department, and year-to-date receipts. The growth rates of the four highest-generating revenue sources reflect the latest assumptions about the impact of recent changes in state and federal law.

Growth Rates of Key Revenue Sources (Percentages)

<u>Revenue Source</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
Individual Income	(0.1)	(4.5)	4.7
Corporation Income	(5.7)	(4.9)	0.7
Retail Sales	(3.6)	(3.9)	(1.0)
Compensating Use	7.2	3.3	3.4

FY 2025. The revised estimate of SGF receipts for FY 2025 is \$9.732 billion, which is a decrease of \$59.8 million below the previous estimate. The estimate for total taxes was decreased by \$72.2 million, while the estimate for other revenues was increased by \$12.4 million. Total SGF receipts through October 2024 were \$17.8 million above the previous estimate, including \$0.9 million in tax collections exceeding the estimate. The overall revised estimate is approximately \$407.8 million, or 4.0 percent, below actual FY 2024 receipts. The revised FY 2025 taxes-only estimate is \$353.7 million, or 3.5 percent, below actual FY 2024 taxes-only receipts.

FY 2026. The initial estimate for FY 2026 is \$9.846 billion. The forecast for FY 2026 represents a 1.2 percent increase above the newly revised FY 2025 total.

Individual Income Tax

Individual income tax receipts were above the final FY 2024 estimate by \$28.6 million, or 0.6 percent, and had been \$97.5 million, or 7.4 percent, ahead of the prior FY 2025 estimate through October 2024. While receipts in this tax source have shown strength in recent months, the Consensus Group retains concern that the entire fiscal effect of 2024 Special Session SB 1 for FY 2025 will materialize during the spring tax return filing season. Accordingly, the year-to-date strength of this tax source may lessen as the year progresses. The Consensus Group will continue to closely monitor the timing of receipts for this tax source throughout the forecast period. Receipts are forecast to decrease by 4.5 percent in FY 2025 and increase by 4.7 percent in FY 2026.

Corporation Income Tax

Corporation income tax receipts were below the final FY 2024 estimate by \$100.8 million and had been \$109.4 million below the previous FY 2025 estimate through October 2024. The weakness in this tax source appears to be attributable to both SALT Parity Act taxpayers and traditional corporation income tax filers. The corporation income tax estimate includes the effects of a 0.5 percent reduction in the corporation income tax rate taking effect in tax year 2024 as a result of the APEX agreement entered into by the State and Panasonic. However, the Consensus Group has eliminated the impact of a previously expected second 0.5 percent rate reduction attributable to a second APEX agreement that will no longer proceed as an APEX project. The estimates also include the effects of investment tax credits for Panasonic.

Retail Sales and Compensating Use Taxes

Sales tax collections in FY 2025 were down 4.0 percent from the prior year through October 2024. However, the year-over-year amount was impacted by the continued reduction of the sales tax rate on food and food ingredients. The new estimate of receipts calls for a 3.9 percent decline for the entirety of the fiscal year, largely as a result of a final reduction (to 0.0 percent) of the state sales tax rate on food and food ingredients on January 1, 2025, and a further shift of sales tax receipts from the SGF to the State Highway Fund. The FY 2026 estimate is \$2.550 billion, which represents a 1.0 percent decline, and FY 2026 is the first year to capture the fully annualized effects of the elimination of the state sales tax on food.

After several years of strong growth in the wake of the U.S. Supreme Court's *South Dakota v. Wayfair* decision in 2018 and state legislation requiring marketplace facilitators to collect and remit use taxes for certain online transactions beginning in July 2021, compensating use tax receipt growth appears to have returned to more normal levels. Receipts, which were up \$2.1 million relative to estimates through October 2024, were increased relative to the previous FY 2025 forecast by \$5.0 million. The FY 2026 estimate forecasts further growth of 3.4 percent.

Other State General Fund Receipts

SGF interest earnings are estimated to be \$348.3 million in FY 2025 (a decrease of \$47.5 million from FY 2024) and \$218.6 million in FY 2026. Cash balance expectations, which had been exceedingly high in FY 2023 and FY 2024, are expected to decline during the second half of FY 2025 and throughout FY 2026. Additionally, interest rates, which have been elevated in recent years, have already begun to decline, and further rate reductions are expected throughout the balance of the forecast period.

The estimate for net transfers out of the SGF is \$383.6 million in FY 2025, an increase in estimated transfers out of \$2.1 million from the previous estimate. Transfers out of the SGF for tort claims against the State, the Kansas Board of Regents Faculty of Distinction Program, and revenue to replace money for school finance that was foregone due to property tax reductions in 2024 Special Session SB 1 were increased. Offsetting these increases is a reduction in the amount of interest to be transferred to state funds that are statutorily allowed to retain their own interest. The total net transfers for FY 2026 is \$346.3 million. The year-over-year decline in transfers out of the SGF is primarily attributable to lower interest earnings for state funds that are allowed to retain their own interest and receive that interest through an SGF transfer.

The insurance premiums tax estimate was set at \$222.0 million in FY 2025, which is a reduction of \$9.5 million from the previous estimate. For FY 2026, the insurance premiums tax estimate was held level at \$222.0 million. The increased amount of insurance premiums being paid across the state is being offset by the amount of tax credits being claimed by insurance companies. The estimate for agency earnings was increased by \$13.0 million to \$117.0 million in FY 2025. For FY 2026, agency earnings were set at \$110.0 million (a decrease of \$7.0 million from the FY 2025 revised estimate).

Accuracy of Consensus Revenue Estimates

For 50 years, SGF revenue estimates for Kansas have been developed using the consensus revenue estimating process. Each of the agencies and individuals involved in the process prepared independent estimates and met on November 15, 2024, to discuss estimates and come to a consensus for FY 2025 and FY 2026.

STATE GENERAL FUND ESTIMATES

Fiscal Year	Adjusted Original Estimate*	Adjusted Final Estimate**	Actual Receipts	Difference from Original Estimate*		Difference from 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	0.0
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	5,693.4	(7.0)	(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	5,191.3	(782.9)	(13.1)	(99.8)	(1.9)
2011	5,851.0	5,779.6	5,882.1	31.1	0.5	102.5	1.8
2012	6,098.9	6,404.3	6,412.8	313.9	5.1	8.5	0.1
2013	6,414.2	6,250.4	6,341.1	(73.1)	(1.1)	90.7	1.5
2014	5,947.0	5,986.5	5,653.2	(293.8)	(4.9)	(333.3)	(5.6)
2015	5,992.3	5,944.4	5,928.8	(63.5)	(1.1)	(15.6)	(0.3)
2016	6,358.0	6,149.6	6,073.5	(284.6)	(4.5)	(76.2)	(1.2)
2017	6,377.8	6,266.8	6,339.1	(38.7)	(0.6)	72.3	1.2
2018	6,453.5	7,030.9	7,298.1	844.6	13.1	267.2	3.8
2019	6,571.0	7,231.2	7,368.4	797.4	12.1	137.2	1.9
2020	7,376.0	6,825.2	6,900.5	(475.5)	(6.4)	75.2	1.1
2021	7,747.9	8,099.9	8,865.9	1,118.1	14.4	766.1	9.5
2022	5,827.3	7,695.0	7,916.0	2,088.7	35.8	221.0	2.9
2023	7,854.4	9,230.1	9,282.8	1,428.4	18.2	52.7	0.6
2024	10,241.3	10,182.6	10,139.6	(101.8)	(1.0)	(43.0)	(0.4)

*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, that 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 Revenue Estimating Group. It also includes the estimated impact of legislation on receipts.

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

Concluding Comments

Consensus revenue estimates are based on current federal and state laws and their current interpretation by the courts. These estimates will be further adjusted in mid-April prior to the conclusion of the 2025 Legislative Session.

Ongoing uncertainty about inflation, monetary policy, international conflicts, U.S. foreign policy, trade policy, health policy, and tax policy has the potential to increase volatility in global and domestic markets. The impact of any such increased volatility on confidence as well as consumption and investment decisions by consumers and businesses will be monitored by the Consensus Group over the winter prior to the next meeting in April 2025.

Table 1
State General Fund Receipts
(Dollars in Thousands)

	FY 2024 (Actual)		Consensus Estimate November 15, 2024			
			FY 2025 (Revised)		FY 2026	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Income Taxes:						
Individual	\$ 4,503,615	(0.1) %	\$ 4,300,000	(4.5) %	\$ 4,500,000	4.7 %
Corporation	1,419,201	(5.7)	1,350,000	(4.9)	1,360,000	0.7
Financial Institutions	46,580	(18.2)	44,000	(5.5)	45,000	2.3
Total	\$ 5,969,396	(1.6) %	\$ 5,694,000	(4.6) %	\$ 5,905,000	3.7 %
Sales & Use Taxes:						
Retail Sales	\$ 2,678,278	(3.6) %	\$ 2,575,000	(3.9) %	\$ 2,550,000	(1.0) %
Compensating Use	861,205	7.2	890,000	3.3	920,000	3.4
Total	\$ 3,539,483	(1.1) %	\$ 3,465,000	(2.1) %	\$ 3,470,000	0.1 %
Other Excise Taxes:						
Cigarette	\$ 90,094	(8.5) %	\$ 84,000	(6.8) %	\$ 80,000	(4.8) %
Tobacco Products	10,509	1.5	10,200	(2.9)	10,300	1.0
Liquor Gallonage	24,703	1.4	24,000	(2.8)	24,000	--
Liquor Enforcement	83,715	0.0	84,000	0.3	84,200	0.2
Liquor Drink	15,225	1.8	15,400	1.1	15,500	0.6
Gas Severance	(1,617)	(107.7)	1,600	199.0	5,100	218.8
Oil Severance	25,924	(30.4)	23,000	(11.3)	20,900	(9.1)
Total	\$ 248,553	(14.3) %	\$ 242,200	(2.6) %	\$ 240,000	(0.9) %
Other Taxes:						
Insurance Premiums	\$ 220,680	12.9 %	\$ 222,000	0.6 %	\$ 222,000	-- %
Motor Carrier	11,786	(1.6)	11,800	0.1	11,800	--
Corporate Franchise	8,224	(10.5)	9,500	15.5	9,200	(3.2)
Miscellaneous	5,712	9.3	5,600	(2.0)	5,600	--
Total	\$ 246,402	11.0 %	\$ 248,900	1.0 %	\$ 248,600	(0.1) %
Total Taxes	\$ 10,003,834	(1.5) %	\$ 9,650,100	(3.5) %	\$ 9,863,600	2.2 %
Other Revenues:						
Interest	\$ 395,775	97.4 %	\$ 348,300	(12.0) %	\$ 218,600	(37.2) %
Net Transfers	(371,151)	68.9	(383,600)	(3.4)	(346,300)	9.7
Agency Earnings	111,103	(4.7)	117,000	5.3	110,000	(6.0)
Total	\$ 135,727	115.5 %	\$ 81,700	(39.8) %	\$ (17,700)	(121.7) %
Total Receipts	\$ 10,139,561	9.2 %	\$ 9,731,800	(4.0) %	\$ 9,845,900	1.2 %

Table 2
State General Fund Receipts
FY 2024 Revised
Comparison of November 2024 Estimate with June 2024 Estimate
(Dollars in Thousands)

	FY 2025 CRE Est.	FY 2025 CRE Est.	Difference	
	As Adj. for Legis.	Revised 11/15/2024	Amount	Pct. Chg.
Income Taxes:				
Individual	\$ 4,186,200	\$ 4,300,000	\$ 113,800	2.7 %
Corporation	1,561,500	1,350,000	(211,500)	(13.5)
Financial Institutions	45,200	44,000	(1,200)	(2.7)
Total	\$ 5,792,900	\$ 5,694,000	\$ (98,900)	(1.7) %
Sales & Use Taxes:				
Retail Sales	\$ 2,532,900	\$ 2,575,000	\$ 42,100	1.7 %
Compensating Use	885,000	890,000	5,000	0.6
Total	\$ 3,417,900	\$ 3,465,000	\$ 47,100	1.4 %
Other Excise Taxes:				
Cigarette	\$ 85,000	\$ 84,000	\$ (1,000)	(1.2) %
Tobacco Products	10,900	10,200	(700)	(6.4)
Liquor Gallonage	24,000	24,000	--	--
Liquor Enforcement	84,500	84,000	(500)	(0.6)
Liquor Drink	16,000	15,400	(600)	(3.8)
Gas Severance	4,000	1,600	(2,400)	(60.0)
Oil Severance	28,400	23,000	(5,400)	(19.0)
Total	\$ 252,800	\$ 242,200	\$ (10,600)	(4.2) %
Other Taxes:				
Insurance Premiums	\$ 231,500	\$ 222,000	\$ (9,500)	(4.1) %
Motor Carrier	11,800	11,800	--	--
Corporate Franchise	9,100	9,500	400	4.4
Miscellaneous	6,300	5,600	(700)	(11.1)
Total	\$ 258,700	\$ 248,900	\$ (9,800)	(3.8) %
Total Taxes	\$ 9,722,300	\$ 9,650,100	\$ (72,200)	(0.7) %
Other Revenues:				
Interest	\$ 351,000	\$ 348,300	\$ (2,700)	(0.8) %
Net Transfers	(385,700)	(383,600)	2,100	0.5
Agency Earnings	104,000	117,000	13,000	12.5
Total	\$ 69,300	\$ 81,700	\$ 12,400	17.9 %
Total Receipts	\$ 9,791,600	\$ 9,731,800	\$ (59,800)	(0.6) %