



Kansas Legislative Research Department

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

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April 19, 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 Estimate for FY 2024 and FY 2025

The Consensus Estimating Group met today to revise the November 9, 2023 State General Fund (SGF) estimates for FY 2024 and FY 2025. The revisions include the estimated impact of all 2024 legislation signed into law thus far. The impact of any legislation affecting the SGF that becomes law after April 19 will be quantified in a separate legislative adjustments report prepared at the conclusion of the *sine die* adjournment. Consensus revenue estimates are based on current federal and state laws and their current interpretation. A more detailed memo will be available soon which contains the economic forecast for Kansas upon which the new estimates are based, as well as a discussion of the other factors influencing the individual source estimates.

The overall estimate for FY 2024 and FY 2025 was increased by a combined \$45.9 million. The estimate for total taxes was decreased by \$39.0 million, and other revenues were increased by \$84.9 million for the two years combined.

For FY 2024, the estimate was decreased by \$100.3 million, or 1.0 percent, below the November estimate. The estimate for total taxes was decreased by \$119.3 million, while the estimate for other revenues was increased by \$19.0 million. The overall revised estimate of \$10.183 billion represents a 9.7 percent increase above the final FY 2023 receipts.

The revised estimate for FY 2025 is \$10.404 billion, which is \$146.2 million, or 1.4 percent, above the previous estimate. The estimate for total taxes was increased by \$80.3 million, while the estimate for other revenues was increased by \$65.9 million. The revised forecast for FY 2025 represents a 2.2 percent increase above the newly revised FY 2024 figure.

Table 1 compares the revised estimates for FY 2024 and FY 2025 with actual receipts from FY 2023. Tables 2 and 3 show the revisions in each fiscal year's estimates.

Table 1
State General Fund Receipts
(Dollars in Thousands)

	Consensus Estimate April 19, 2024					
	FY 2023 (Actual)		FY 2024 (Revised)		FY 2025 (Revised)	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Income Taxes:						
Individual	\$ 4,507,007	(6.8) %	\$ 4,475,000	(0.7) %	\$ 4,630,000	3.5 %
Corporation	1,504,575	86.7	1,520,000	1.0	1,580,000	3.9
Financial Institutions	56,944	(8.5)	49,000	(14.0)	50,000	2.0
Total	\$ 6,068,526	6.4 %	\$ 6,044,000	(0.4) %	\$ 6,260,000	3.6 %
Excise Taxes:						
Retail Sales	\$ 2,776,857	0.6 %	\$ 2,675,000	(3.7) %	\$ 2,550,000	(4.7) %
Compensating Use	802,991	3.6	855,000	6.5	885,000	3.5
Total	\$ 3,579,848	1.3 %	\$ 3,530,000	(1.4) %	\$ 3,435,000	(2.7) %
Other Excise Taxes:						
Cigarette	\$ 98,453	(10.0) %	\$ 91,000	(7.6) %	\$ 85,000	(6.6) %
Tobacco Products	10,358	1.8	10,600	2.3	10,900	2.8
Liquor Gallonage	24,351	(0.8)	24,100	(1.0)	24,000	(0.4)
Liquor Enforcement	83,675	0.8	84,000	0.4	84,500	0.6
Liquor Drink	14,951	8.7	15,400	3.0	16,000	3.9
Gas	20,890	0.3	(1,900)	(109.1)	4,000	310.5
Oil	37,234	5.4	26,600	(28.6)	28,400	6.8
Total	\$ 289,914	(2.4) %	\$ 249,800	(13.8) %	\$ 252,800	1.2 %
Other Taxes:						
Insurance Premiums	\$ 195,541	(0.4) %	\$ 221,000	13.0 %	\$ 231,500	4.8 %
Motor Carrier	11,982	(7.3)	11,900	(0.7)	11,800	(0.8)
Corporate Franchise	9,191	8.7	9,100	(1.0)	9,100	--
Miscellaneous	5,226	16.4	5,900	12.9	6,300	6.8
Total	\$ 221,940	(0.1) %	\$ 247,900	11.7 %	\$ 258,700	4.4 %
Total Taxes	\$ 10,160,227	4.1 %	\$ 10,071,700	(0.9) %	\$ 10,206,500	1.3 %
Other Revenues & Receipts:						
Interest	\$ 200,484	7,004.3 %	\$ 381,400	90.2 %	\$ 351,000	(8.0) %
Transfers & Other Receipts	(1,194,467)	37.6	(371,600)	68.9	(258,000)	30.6
Agency Earnings	116,566	66.6	101,700	(12.8)	104,000	2.3
Total	\$ (877,417)	52.4 %	\$ 111,500	112.7 %	\$ 197,000	76.7 %
Total Receipts	\$ 9,282,810	17.3 %	\$ 10,183,200	9.7 %	\$ 10,403,500	2.2 %

Table 2
State General Fund Receipts
FY 2024 Revised
Comparison of April 2024 Estimate to November 2023 Estimate
(Dollars in Thousands)

	FY 2024 CRE Est.	FY 2024 CRE Est.	Difference	
	Revised 11/09/2023	Revised 04/19/2024	Amount	Pct. Chg.
Income Taxes:				
Individual	\$ 4,550,000	\$ 4,475,000	\$ (75,000)	(1.6) %
Corporation	1,470,000	1,520,000	50,000	3.4
Financial Institutions	52,000	49,000	(3,000)	(5.8)
Total	\$ 6,072,000	\$ 6,044,000	\$ (28,000)	(0.5) %
Sales & Use Taxes:				
Retail Sales	\$ 2,760,000	\$ 2,675,000	\$ (85,000)	(3.1) %
Compensating Use	870,000	855,000	(15,000)	(1.7)
Total	\$ 3,630,000	\$ 3,530,000	\$ (100,000)	(2.8) %
Other Excise Taxes:				
Cigarette	\$ 94,000	\$ 91,000	\$ (3,000)	(3.2) %
Tobacco Products	10,700	10,600	(100)	(0.9)
Liquor Gallonage	24,000	24,100	100	0.4
Liquor Enforcement	84,500	84,000	(500)	(0.6)
Liquor Drink	15,900	15,400	(500)	(3.1)
Gas Severance	(300)	(1,900)	(1,600)	(533.3)
Oil Severance	26,300	26,600	300	1.1
Total	\$ 255,100	\$ 249,800	\$ (5,300)	(2.1) %
Other Taxes:				
Insurance Premiums	\$ 207,000	\$ 221,000	\$ 14,000	6.8 %
Motor Carrier	11,600	11,900	300	2.6
Corporate Franchise	9,400	9,100	(300)	(3.2)
Miscellaneous	5,900	5,900	--	--
Total	\$ 233,900	\$ 247,900	\$ 14,000	6.0 %
Total Taxes	\$ 10,191,000	\$ 10,071,700	\$ (119,300)	(1.2) %
Other Revenues & Receipts:				
Interest	\$ 380,000	\$ 381,400	\$ 1,400	0.4 %
Transfers & Other Receipts	(383,400)	(371,600)	11,800	3.1
Agency Earnings	95,900	101,700	5,800	6.0
Total	\$ 92,500	\$ 111,500	\$ 19,000	20.5 %
Total Receipts	\$ 10,283,500	\$ 10,183,200	\$ (100,300)	(1.0) %

Table 3
State General Fund Receipts
FY 2025 Revised
Comparison of April 2024 Estimate to November 2023 Estimate
(Dollars in Thousands)

	FY 2025 CRE Est.	FY 2025 CRE Est.	Difference	
	Revised 11/09/2023	Revised 04/19/2024	Amount	Pct. Chg.
Income Taxes:				
Individual	\$ 4,700,000	\$ 4,630,000	\$ (70,000)	(1.5) %
Corporation	1,380,000	1,580,000	200,000	14.5
Financial Institutions	53,000	50,000	(3,000)	(5.7)
Total	\$ 6,133,000	\$ 6,260,000	\$ 127,000	2.1 %
Sales & Use Taxes:				
Retail Sales	\$ 2,610,000	\$ 2,550,000	\$ (60,000)	(2.3) %
Compensating Use	885,000	885,000	--	--
Total	\$ 3,495,000	\$ 3,435,000	\$ (60,000)	(1.7) %
Other Excise Taxes:				
Cigarette	\$ 90,000	\$ 85,000	\$ (5,000)	(5.6) %
Tobacco Products	10,900	10,900	--	--
Liquor Gallonage	24,000	24,000	--	--
Liquor Enforcement	85,000	84,500	(500)	(0.6)
Liquor Drink	16,300	16,000	(300)	(1.8)
Gas Severance	6,900	4,000	(2,900)	(42.0)
Oil Severance	25,900	28,400	2,500	9.7
Total	\$ 259,000	\$ 252,800	\$ (6,200)	(2.4) %
Other Taxes:				
Insurance Premiums	\$ 212,000	\$ 231,500	\$ 19,500	9.2 %
Motor Carrier	11,300	11,800	500	4.4
Corporate Franchise	9,600	9,100	(500)	(5.2)
Miscellaneous	6,300	6,300	--	--
Total	\$ 239,200	\$ 258,700	\$ 19,500	8.2 %
Total Taxes	\$ 10,126,200	\$ 10,206,500	\$ 80,300	0.8 %
Other Revenues & Receipts:				
Interest	\$ 310,000	\$ 351,000	\$ 41,000	13.2 %
Transfers & Other Receipts	(276,800)	(258,000)	18,800	6.8
Agency Earnings	97,900	104,000	6,100	6.2
Total	\$ 131,100	\$ 197,000	\$ 65,900	50.3 %
Total Receipts	\$ 10,257,300	\$ 10,403,500	\$ 146,200	1.4 %