



**SCOTT MEACHAM
OKLAHOMA STATE TREASURER**

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May Revenue Collections Show Recovery Continues

OKLAHOMA CITY – May revenue collections exceeded prior year collections and the official estimate, adding another month to the trend of continued improvement in the Oklahoma economy, State Treasurer Scott Meacham said today. The collections, Meacham said, show brighter economic times are returning to the Sooner State.

Preliminary reports show General Revenue Fund collections for May were \$378.7 million. That amount is:

- \$21.6 million or 6 percent above the prior year; and
- \$27.5 million or 7.8 percent above the official estimate.

Recovery from Great Recession Continues

Driven by strong collections in Gross Production taxes, May collections topped both the prior year and estimate for only the second time this fiscal year. Sales tax collections, often viewed as a reflection of consumer confidence, also showed substantial growth, Meacham said. Net income taxes remained below the prior year and estimate primarily due to lower estimated tax payments during the month.

“As we look back at collections throughout the fiscal year, it is becoming more apparent that our recovery started in February and that trend continues this month.”

Meacham said that with May collections, the Office of State Finance has been able to repay all the money that was transferred from cash funds to make allocations to state agencies earlier in the fiscal year. The law requires all the funds to be repaid by June 30, the end of the fiscal year.

“We have now paid back all \$320.9 million of the funds transferred to make allocations earlier in the year, and, after monthly allocations are made today, we will have a remainder of \$6.7 million,” he said. “The outlook is good as collections in June should exceed spending requirements and the remaining funds will be used to seed the cash flow reserve fund for use next fiscal year.”

(more)

The cash flow reserve fund is used to help make monthly allocations to state agencies when monthly revenue collections, which vary greatly from month to month, are insufficient. During this fiscal year, the cash flow reserve fund was depleted in one month. Typically, the fund lasts throughout the fiscal year.

For the first 11 months of the fiscal year, collections total \$4.122 billion. That is \$955 million or 18.8 percent below the prior year and \$781 million or 15.9 percent below the official estimate.

May Collections

In May, net income taxes, a combination of personal and corporate income taxes, produced \$115.3 million, which is \$20.6 million or 15.2 percent below the prior year and \$22.2 million or 16.1 percent below the estimate.

Personal income tax produced \$115.3 million, which is \$19.3 million or 14.3 percent below the prior year and \$20.6 million or 15.2 percent below the estimate. After refunds were paid, corporate income tax collections were recorded as zero. Corporate collections were \$1.4 million during May of last year.

The state sales tax produced \$131.4 million for the month, which is \$8.8 million or 7.1 percent above the prior year and \$0.7 million or 0.5 percent above the estimate.

The gross production tax on oil and natural gas yielded \$56.2 million for the month, which is \$29 million or 106.5 percent above the prior year and \$44.4 million or 377.6 percent above the estimate.

Motor vehicle taxes produced \$11.3 million in May, which is \$4.2 million or 26.9 percent below the prior year and \$1.1 million or 9.1 percent below the estimate.

In May, investments by the treasurer's office yielded \$8.9 million. That is \$3.3 million below the same month of the prior year.

Other revenue, including investment earnings along with taxes on insurance, alcoholic beverages and others produced \$64.5 million for the month. This is \$8.6 million or 15.4 percent above the prior year and \$5.7 million or 9.7 percent above the estimate.

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General Revenue Comparisons With Prior Year

CHART I

PRELIMINARY

MONTHLY COMPARISON

SUMMARY May 2010

(In \$ millions)	FY-09 Actual	FY-10 Actual	Variance From Prior Year	
	May 2009	May 2010	\$	%
Net Income Tax	\$136.0	\$115.3	-\$20.6	-15.2%
Gross Production	27.2	56.2	29.0	106.5%
Sales Tax	122.7	131.4	8.8	7.1%
Motor Vehicle	15.4	11.3	-4.2	-26.9%
Subtotal: Major Taxes	\$301.3	\$314.2	\$13.0	4.3%
Other Sources (1)	55.9	64.5	8.6	15.4%
TOTAL GEN REVENUE	\$357.2	\$378.7	\$21.6	6.0%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	\$357.2	\$378.7	\$21.6	6.0%

PRELIMINARY

11 MONTH YEAR TO DATE

SUMMARY May 2010

(In \$ millions)	FY-09 Actual	FY-10 Actual	Variance From Prior Year	
	Thru May 2009	Thru May 2010	\$	%
Net Income Tax	\$2,058.6	\$1,658.6	-\$400.0	-19.4%
Gross Production	705.5	393.0	-312.5	-44.3%
Sales Tax	1,517.2	1,380.6	-136.6	-9.0%
Motor Vehicle	161.4	128.2	-33.2	-20.6%
Subtotal: Major Taxes	\$4,442.6	\$3,560.4	-\$882.3	-19.9%
Other Sources (1)	634.7	561.9	-72.8	-11.5%
TOTAL GEN REVENUE	\$5,077.3	\$4,122.3	-\$955.0	-18.8%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	\$5,077.3	\$4,122.3	-\$955.0	-18.8%

(1) Other sources revenue estimated pending final accounting.

(2) Recurring revenue after subtracting one-time funds.

Details may not sum due to rounding.

General Revenue Comparisons With Estimate

CHART II

PRELIMINARY

MONTHLY COMPARISON

SUMMARY May 2010

(In \$ millions)	FY-10 Estimate	FY-10 Actual	Variance From Estimate	
	May 2010	May 2010	\$	%
Net Income Tax	\$137.5	\$115.3	-\$22.2	-16.1%
Gross Production	11.8	56.2	44.4	377.6%
Sales Tax	130.7	131.4	0.7	0.5%
Motor Vehicle	12.4	11.3	-1.1	-9.1%
Subtotal: Major Taxes	\$292.4	\$314.2	\$21.8	7.5%
Other Sources (1)	58.8	64.5	5.7	9.7%
TOTAL GEN REVENUE	\$351.2	\$378.7	\$27.5	7.8%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	\$351.2	\$378.7	\$27.5	7.8%

PRELIMINARY

11 MONTH YEAR TO DATE

SUMMARY May 2010

(In \$ millions)	FY-10 Estimate	FY-10 Actual	Variance From Estimate	
	Thru May 2010	Thru May 2010	\$	%
Net Income Tax	\$2,078.6	\$1,658.6	-\$420.0	-20.2%
Gross Production	418.9	393.0	-25.9	-6.2%
Sales Tax	1,616.2	1,380.6	-235.6	-14.6%
Motor Vehicle	129.8	128.2	-1.6	-1.2%
Subtotal: Major Taxes	\$4,243.5	\$3,560.4	-\$683.1	-16.1%
Other Sources (1)	659.8	561.9	-97.9	-14.8%
TOTAL GEN REVENUE	\$4,903.2	\$4,122.3	-\$781.0	-15.9%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	\$4,903.2	\$4,122.3	-\$781.0	-15.9%

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