



SCOTT MEACHAM
OKLAHOMA STATE TREASURER

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**First Quarter Revenue Collections Exceed
Prior Year and Estimate**

September Collections Also Top Prior Year and Estimate

OKLAHOMA CITY — State Treasurer Scott Meacham today announced general revenue collections through the first three months of the current fiscal year were more than \$113 million above prior year receipts and \$42 million above the estimate for the period.

Preliminary reports show general revenue fund collections totaled \$1.323 billion for the first quarter of Fiscal Year 2006. That amount is:

- \$113.6 million or 9.4 percent above the first quarter of the prior year; and
- \$42 million or 3.3 percent above the estimate for the same period.

“The first three months of this fiscal year showed improved revenue collections over the prior year,” Meacham said. “Revenue in all four major tax categories is well ahead of prior year collections.

“The state’s economy continues to show healthy growth.”

In the fiscal year’s first three months, net income tax collections – the combination of individual and corporate income tax returns – totaled \$631.3 million, \$72.6 million or 13 percent above collections of one year ago and \$69.3 million or 12.3 percent more than the estimate.

Individual returns produced \$578.5 million in the first three months of the fiscal year. That is \$51.5 million or 9.8 percent above the prior year and \$52.1 million or 9.9 percent above the estimate. Corporate income tax collections totaled \$52.8 million for the same period, which is \$21 million or 66.3 percent above the prior year and \$17.3 million or 48.6 percent above the estimate.

(more)

The state sales tax produced \$353.4 million for the three-month period ending in September, which is \$18.1 million or 5.4 percent above the prior year and \$7.3 million or 2.1 percent above the estimate.

The gross production tax on natural gas yielded \$135 million during the fiscal year's first quarter, which is \$9.1 million or 7.2 percent above the prior year but \$12.3 million or 8.4 percent below the estimate.

“The Tax Commission tells us the lower than anticipated collections on gross production are a function of current natural gas prices,” Meacham said. “As the weather turns colder, gas prices will rise and revenue collections are expected to follow suit.”

Motor vehicle tax receipts, which come primarily from vehicle sales and licenses, produced \$63.6 million in the first quarter of the fiscal year. This is \$9.8 million or 18.1 percent above the prior year and \$4.1 million or 6.8 percent above the estimate.

Other revenue, which includes a wide range of sources such as interest and investments, insurance and inheritance taxes and liquor and cigarettes, produced \$139.6 million during the fiscal year's first quarter. This is \$4.1 million or 3 percent above the prior year but \$26.4 million or 15.9 percent below the estimate.

“September collections showed little change from previous months,” Meacham said. “We saw a slight drop in sales tax collections compared to our expectations for the month, but it would appear any negative impact from Hurricane Katrina will be short lived on the state's economy.”

Preliminary reports show general revenue fund collections totaled \$527.6 million for September. This amount is \$55.9 million or 11.9 percent above the prior year and \$12.2 million or 2.4 percent above the estimate.

Net Income Taxes — This source yielded \$286.2 million to the FY-06 general revenue fund, which was \$39.5 million or 16 percent above the prior year and \$27.1 million or 10.5 percent above the estimate.

Sales Tax — The state's number two revenue source produced \$115.1 million for general revenue, up \$4.5 million or 4.1 percent from the prior year but \$0.7 million or 0.6 percent below the estimate.

Gross Production Tax — This tax on natural gas accounted for \$50.5 million for general revenue, which was \$7.5 million or 17.4 percent above the prior year but \$4.2 million or 7.6 percent below the estimate.

Motor Vehicle Taxes — This source produced \$21.3 million, which was \$1.5 million or 7.6 percent above the prior year and \$2.2 million or 11.7 percent above the estimate.

Other Revenue — Other revenue produced \$54.4 million. This was \$3 million or 5.9 percent above the prior year but \$12.3 million or 18.4 percent below the estimate.

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General Revenue Comparisons With Prior Year

CHART I

PRELIMINARY (In \$ millions)	MONTHLY COMPARISON		SUMMARY SEPTEMBER 2005	
	FY-05 Actual September 2004	FY-06 Actual September 2005	Variance From Prior Year	
			\$	%
Net Income Tax	246.7	286.2	39.5	16.0%
Gross Production	43.1	50.5	7.5	17.4%
Sales Tax	110.7	115.1	4.5	4.1%
Motor Vehicle	19.8	21.3	1.5	7.6%
Subtot: Major Taxes	420.3	473.2	52.9	12.6%
Other Sources (1)	51.4	54.4	3.0	5.9%
TOTAL GEN REVENUE	471.7	527.6	55.9	11.9%
Less 1-time receipts	0.0	0.0	0.0	na
Recurring Rev. (2)	471.7	527.6	55.9	11.9%

PRELIMINARY (In \$ millions)	3 MONTH YEAR TO DATE		SUMMARY SEPTEMBER 2005	
	FY-05 Actual Thru Sept 2004	FY-05 Actual Thru Sept 2005	Variance From Prior Year	
			\$	%
Net Income Tax	558.7	631.3	72.6	13.0%
Gross Production	125.9	135.0	9.1	7.2%
Sales Tax	335.2	353.4	18.1	5.4%
Motor Vehicle	53.8	63.6	9.8	18.1%
Subtot: Major Taxes	1,073.6	1,183.2	109.5	10.2%
Other Sources (1)	135.5	139.6	4.1	3.0%
TOTAL GEN REVENUE	1,209.1	1,322.7	113.6	9.4%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	1,209.1	1,322.7	113.6	9.4%

(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 SEPTEMBER 2005

(In \$ millions)	FY-06 Estimate FY-06 Actual		Variance From OSF Estimate	
	September 2005	September 2005	\$	%
Net Income Tax	259.1	286.2	27.1	10.5%
Gross Production	54.7	50.5	-4.2	-7.6%
Sales Tax	115.8	115.1	-0.7	-0.6%
Motor Vehicle	19.1	21.3	2.2	11.7%
Subtot: Major Taxes	448.7	473.2	24.5	5.5%
Other Sources (1)	66.7	54.4	-12.3	-18.4%
TOTAL GEN REVENUE	515.4	527.6	12.2	2.4%
Less 1-time receipts	0.0	0.0	0.0	na
Recurring Rev. (2)	515.4	527.6	12.2	2.4%

PRELIMINARY

3 MONTH YEAR TO DATE

SUMMARY SEPTEMBER 2005

(In \$ millions)	FY-05 Estimate FY-05 Actual		Variance From OSF Estimate	
	Thru Sept.2005	Thru Sept.2005	\$	%
Net Income Tax	561.9	631.3	69.3	12.3%
Gross Production	147.3	135.0	-12.3	-8.4%
Sales Tax	346.1	353.4	7.3	2.1%
Motor Vehicle	59.5	63.6	4.1	6.8%
Subtot: Major Taxes	1,114.8	1,183.2	68.4	6.1%
Other Sources (1)	165.9	139.6	-26.4	-15.9%
TOTAL GEN REVENUE	1,280.8	1,322.7	42.0	3.3%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	1,280.8	1,322.7	42.0	3.3%

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

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