



**OKLAHOMA STATE TREASURER
KEN MILLER**

For Immediate Release: May 6, 2016

Gross Oil and Gas Tax Collections Reach 17-Year Low

OKLAHOMA CITY – April Gross Receipts to the Treasury marked one year of contraction as taxes on the production of oil and natural gas reached a low not seen in 17 years, State Treasurer Ken Miller announced today.

At \$20.8 million, monthly collections from oil and natural gas production are the lowest since May 1999. Gross production collections continue a 16-month trend of being less than the same month of the prior year.

April oil and natural gas receipts are based on production activity from February when the average price of benchmark West Texas Intermediate crude oil was \$30.32 per barrel, its lowest level in more than a dozen years. Average oil prices have recovered slightly during the past two months.

Total monthly gross receipts of \$1.18 billion are the smallest April total in four years and are less than the same month of last year by \$140.4 million, or 10.6 percent.

At \$11.26 billion, 12-month Gross Receipts to the Treasury are the lowest since June 2013 and show all growth experienced following recovery from the last recession has been erased, with the loss of \$847 million.

“As measured by Gross Receipts to the Treasury, the gains received during the expansion following the Great Recession have been returned,” Miller said. “The state’s anchor industry continues to work through a supply-driven contraction and the effect is being seen in each of Oklahoma’s revenue streams.”

Both the April and 12-month Gross Receipts to the Treasury reports show shrinkage in every major revenue source compared to the prior periods.

Gross Receipts to the Treasury provide a broad look at the Oklahoma economy and include total collections before payment of income tax refunds, sales tax remittance to cities and counties, and allocation of motor vehicle collections to school districts, among others.

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After monthly apportionment is complete, the Office of Management and Enterprise Services will report the funded status of the state's main operating account, the General Revenue Fund, which receives approximately 50 percent of gross collections.

Other indicators

The Oklahoma's Business Conditions Index has remained below growth neutral each month for a full year. The index from a monthly survey of supply managers slipped slightly to 49.3 in April from 49.7 in March. Numbers below 50 indicate economic contraction is expected during the next three to six month.

Oklahoma's seasonally-adjusted unemployment rate was set at 4.4 percent in March, up by two-tenths of one percentage point from February, according to the Oklahoma Employment Security Commission. The national unemployment rate was set at 5 percent in March.

April collections

Receipts for April set gross collections at \$1.18 billion, down \$140.4 million or 10.6 percent from April 2015.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$604.3 million, a decrease of \$101.3 million or 14.4 percent from the previous April.

Personal income tax collections for the month are \$525.3 million, down by \$108.8 million, or 17.2 percent from the prior year. Corporate collections are \$79 million, an increase of \$7.5 million or 10.5 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$357.7 million in April. That is \$11.7 million or 3.2 percent less than April 2015.

Gross production taxes on oil and natural gas generated \$20.8 million in April, a decrease of \$12.4 million or 37.2 percent from last April. Compared to March reports, gross production collections are down by \$2.8 million or 12 percent.

Motor vehicle taxes produced \$61.9 million, down by \$4.4 million or 6.6 percent from the same month of last year.

Other collections, consisting of about 60 different sources including taxes on fuel, tobacco, horse race gambling and alcoholic beverages, produced \$137.7 million during the month. That is \$10.7 million or 7.2 percent less than last April.

Twelve-month collections

Gross revenue totals \$11.26 billion during the past 12 months. That is \$826.1 million or 6.8 percent less than collections from the previous 12 months.

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Gross income taxes generated \$4.2 billion for the May 2015-April 2016 period, reflecting a decrease of \$171.9 million or 3.9 percent from the May 2014-April 2015 period.

Personal income tax collections total \$3.6 billion, down by \$177.6 million or 4.7 percent from the prior 12 months. Corporate collections are \$576.9 million for the period, an increase of \$5.7 million or 1 percent over the previous period.

Sales taxes for the period generated \$4.3 billion, a decrease of \$171.3 million or 3.8 percent from the prior year.

Oil and gas gross production tax collections brought in \$391 million during the past 12 months, down by \$392.9 million or 50.1 percent from the previous 12-month period.

Motor vehicle collections total \$763.1 million for the period. This is a drop of \$6.4 million or 0.8 percent from the trailing period.

Other sources generated \$1.6 billion, down \$83.6 million or 5 percent from the previous year.

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Gross Receipts to Treasury

PRELIMINARY

MONTHLY COMPARISON

(In \$ millions)	April-15	April-16	Variance From Prior Year	
			\$	%
Income Tax	705.56	604.26	-101.30	-14.4%
Gross Production	33.19	20.84	-12.35	-37.2%
Sales Tax (1)	369.40	357.73	-11.67	-3.2%
Motor Vehicle	66.23	61.85	-4.38	-6.6%
Other Sources (2)	148.36	137.70	-10.66	-7.2%
TOTAL REVENUE	1,322.74	1,182.37	-140.36	-10.6%

(1) Includes Collections for Counties and Municipalities

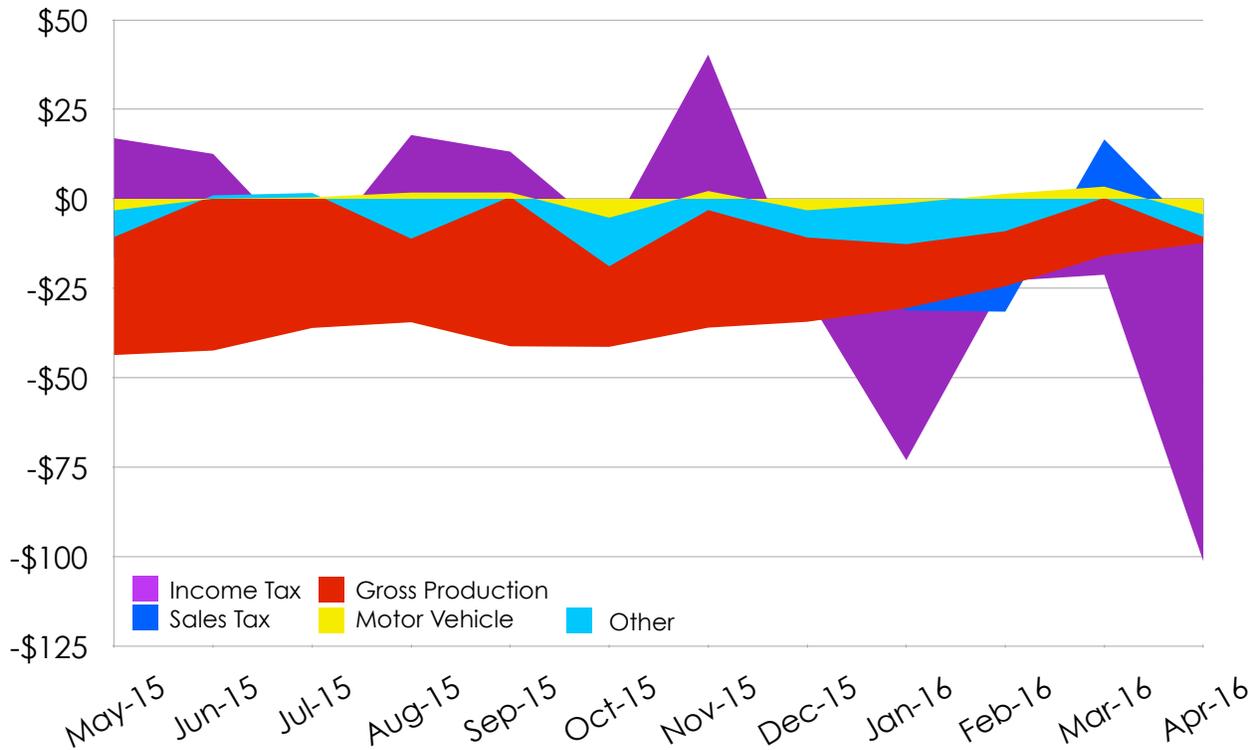
(2) Gross Collections from OTC

Details may not sum due to rounding.

Monthly Gross Receipts vs. Prior Year

May 2015 – April 2016

Dollar Variance in Millions from Same Month of Prior Year



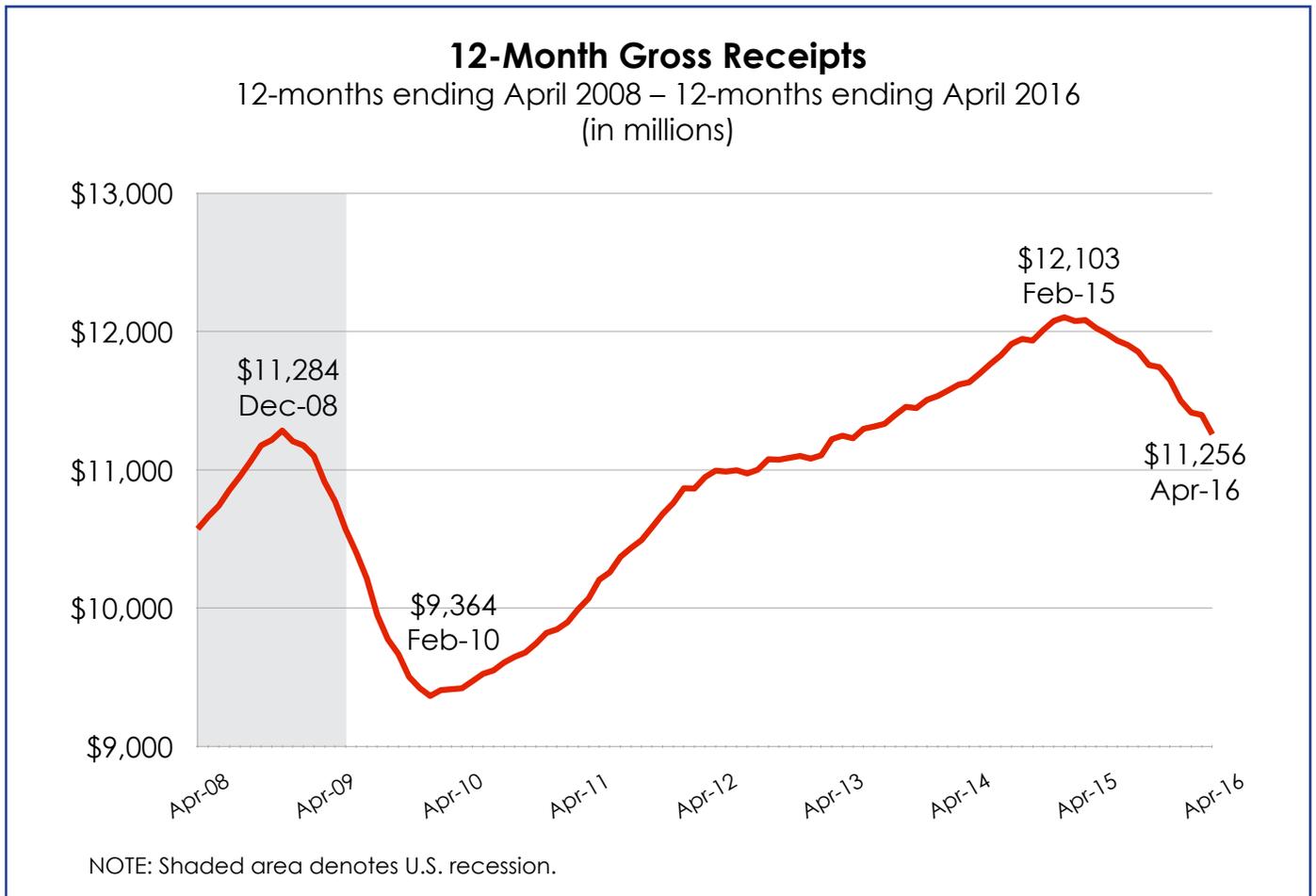
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending May 2015 - April 2016		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	May 2014 - Apr 2015	May 2015 - Apr 2016	\$	%
Income Tax	4,374.23	4,202.33	-171.90	-3.9%
Gross Production	783.92	391.00	-392.91	-50.1%
Sales Tax (1)	4,493.31	4,322.02	-171.28	-3.8%
Motor Vehicle	769.44	763.07	-6.37	-0.8%
Other Sources (2)	1,661.55	1,577.93	-83.62	-5.0%
TOTAL REVENUE	12,082.45	11,256.36	-826.09	-6.8%

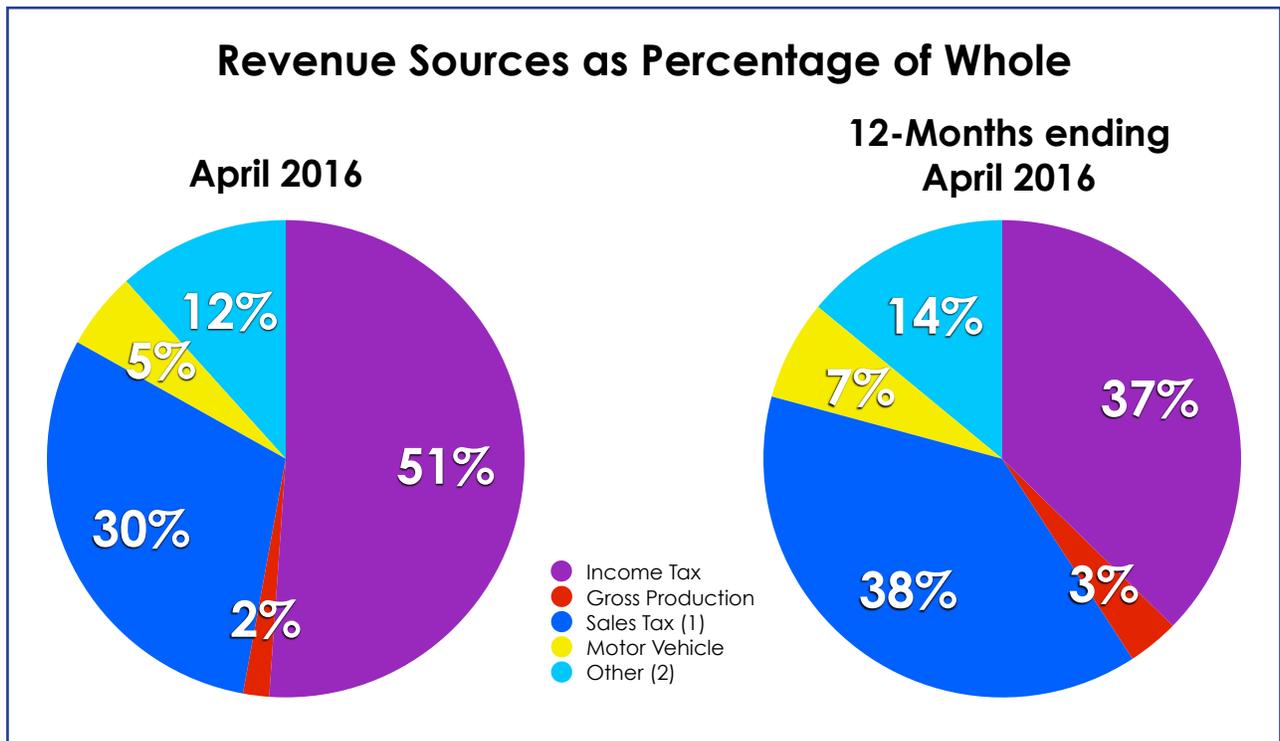
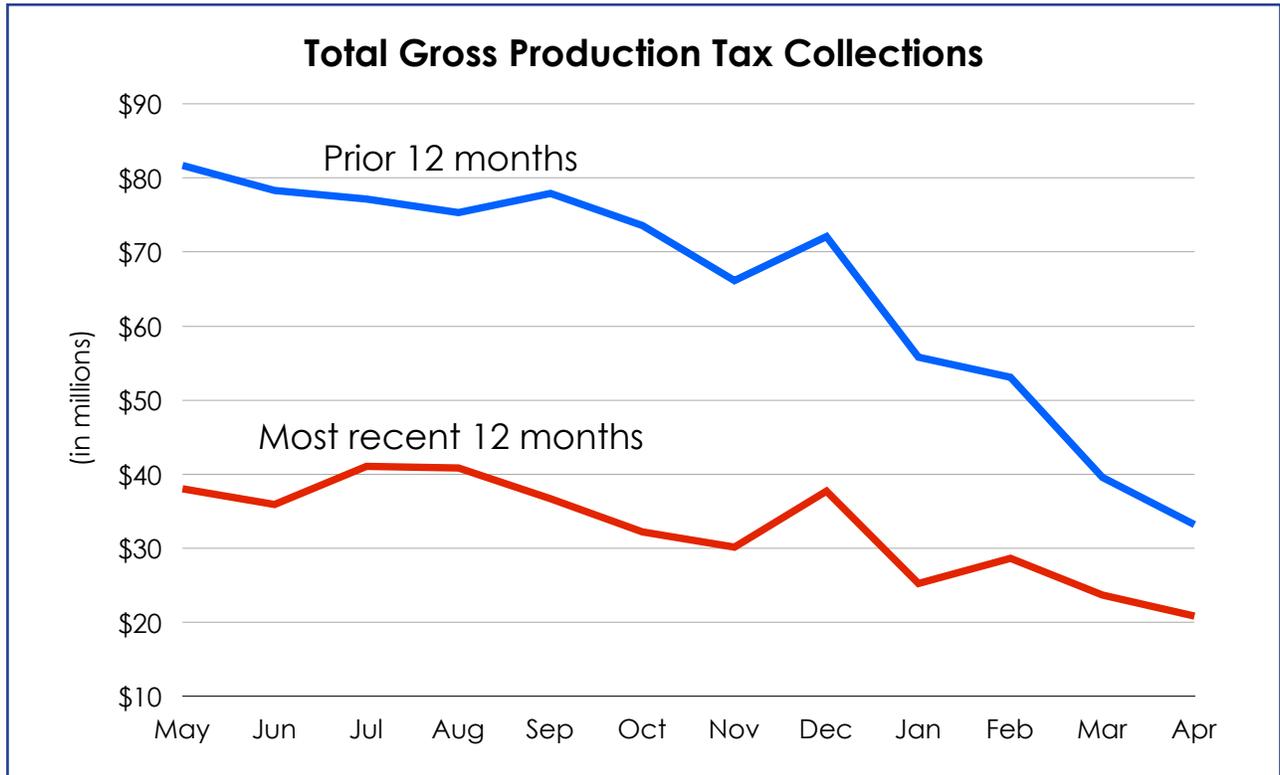
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Gross Receipts to Treasury



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