



**SCOTT MEACHAM
OKLAHOMA STATE TREASURER**

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August Revenue Collections Paint Picture of Strong Economy in Oklahoma

OKLAHOMA CITY – Fueled by strong collections from sales taxes and the gross production tax on natural gas, general revenue collections for the state of Oklahoma in August exceeded both the estimate and collections from the prior year, State Treasurer Scott Meacham announced today.

Preliminary reports show general revenue fund collections totaled \$490.1 million for August. That amount is:

- \$47.6 million or 10.8 percent above the prior year; and
- \$43.8 million or 9.8 percent above the estimate.

Meacham said strong sales tax collections indicate that Oklahoma's economy remains healthy, in spite of the national economic downturn. Sales taxes provided \$152.9 million to the general fund. That is \$22.3 million or 17 percent more than the same month last year and \$15 million or 10.9 percent above the estimate.

"Sales tax collections were significantly above both the prior year and the estimate. Even when inflation of retail prices is factored in, these numbers show a strong increase in sales across the state," Meacham said. "Even more impressive is the fact that August collections include the impact of the sales tax holiday the first weekend of the month. The tax commission estimates the loss of revenue from the sales tax holiday to be \$6.6 million."

Gross production taxes also showed much higher collections than the previous year and the estimate. Gross production taxes provided \$96.6 million to the general fund. That is \$39.7 million or 69.8 percent above the same month last year and \$40.1 million or 70.9 percent above the estimate.

Net Income Taxes — This source yielded \$155.9 million to the FY-09 general revenue fund, which was \$7.5 million or 4.6 percent below the prior year and \$6.8 million or 4.2 percent below the estimate.

(more)

Individual income tax collections produced \$152.4 million, which was \$7.5 million or 4.7 percent below the prior year and \$7 million or 4.4 percent below the estimate. Corporate returns produced \$3.6 million, which was \$5,000 or 0.1 percent above the prior year and \$0.2 million or 6 percent above the estimate.

Sales Tax — The state's number two revenue source produced \$152.9 million for general revenue, up \$22.3 million or 17 percent from the prior year and \$15 million or 10.9 percent above the estimate.

Gross Production Tax — This tax on natural gas accounted for \$96.6 million for the month, which was \$39.7 million or 69.8 percent above the prior year and \$40.1 million or 70.9 percent above the estimate.

Motor Vehicle Taxes — This source, based on motor vehicle sales and licenses, produced \$18 million, which was \$7 million or 27.9 percent below the prior year and \$5.5 million or 23.2 percent below the estimate.

Other Revenue — Other revenue, which includes investment earnings along with taxes on insurance, inheritance, alcoholic beverages and others, produced \$66.6 million. This was \$0.1 million or 0.2 percent above the prior year and \$1 million or 1.5 percent above the estimate. The treasurer's investment earnings totaled \$13.8 million for the month, which is \$1.9 million or 12.3 percent below the prior year reflecting the current low interest rate environment.

Year-to-Date — After the first two months of the fiscal year, revenue collections total \$947.2 million, which is \$93.5 million or 11 percent above the prior year and \$74.2 million or 8.5 percent above the estimate.

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General Revenue Comparisons With Prior Year

CHART I

PRELIMINARY

MONTHLY COMPARISON

SUMMARY August 2008

(In \$ millions)	FY-08 Actual	FY-09 Actual	Variance From Prior Year	
	August 2007	August 2008	\$	%
Net Income Tax	163.5	155.9	-7.5	-4.6%
Gross Production	56.9	96.6	39.7	69.8%
Sales Tax	130.7	152.9	22.3	17.0%
Motor Vehicle	25.0	18.0	-7.0	-27.9%
Subtotal: Major Taxes	376.0	423.5	47.5	12.6%
Other Sources (1)	66.4	66.6	0.1	0.2%
TOTAL GEN REVENUE	442.5	490.1	47.6	10.8%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	442.5	490.1	47.6	10.8%

PRELIMINARY

2 MONTH YEAR TO DATE

SUMMARY August 2008

(In \$ millions)	FY-08 Actual	FY-09 Actual	Variance From Prior Year	
	Thru August 2007	Thru August 2008	\$	%
Net Income Tax	319.5	314.5	-4.9	-1.5%
Gross Production	113.5	186.6	73.2	64.5%
Sales Tax	262.3	294.5	32.2	12.3%
Motor Vehicle	44.4	37.6	-6.7	-15.2%
Subtotal: Major Taxes	739.6	833.3	93.7	12.7%
Other Sources (1)	114.1	113.9	-0.2	-0.2%
TOTAL GEN REVENUE	853.7	947.2	93.5	11.0%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	853.7	947.2	93.5	11.0%

(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 August 2008

(In \$ millions)	FY-09 Estimate	FY-09 Actual	Variance From Estimate	
	August 2008	August 2008	\$	%
Net Income Tax	162.8	155.9	-6.8	-4.2%
Gross Production	56.5	96.6	40.1	70.9%
Sales Tax	137.9	152.9	15.0	10.9%
Motor Vehicle	23.5	18.0	-5.5	-23.2%
Subtotal: Major Taxes	380.7	423.5	42.8	11.3%
Other Sources (1)	65.6	66.6	1.0	1.5%
TOTAL GEN REVENUI	446.3	490.1	43.8	9.8%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	446.3	490.1	43.8	9.8%

PRELIMINARY

2 MONTH YEAR TO DATE

SUMMARY August 2008

(In \$ millions)	FY-09 Estimate	FY-09 Actual	Variance From Estimate	
	Thru August 2008	Thru August 2008	\$	%
Net Income Tax	307.1	314.5	7.4	2.4%
Gross Production	115.5	186.6	71.1	61.5%
Sales Tax	277.3	294.5	17.1	6.2%
Motor Vehicle	44.4	37.6	-6.8	-15.3%
Subtotal: Major Taxes	744.4	833.3	88.9	11.9%
Other Sources (1)	128.6	113.9	-14.6	-11.4%
TOTAL GEN REVENUI	873.0	947.2	74.2	8.5%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	873.0	947.2	74.2	8.5%

(1) Other sources revenue estimated pending final accounting.

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

Details may not sum due to rounding.