



**SCOTT MEACHAM
OKLAHOMA STATE TREASURER**

For Immediate Release: January 13, 2009

Revenue Picture Gives Oklahoma Chance to “Count Blessings,” Meacham Says

OKLAHOMA CITY – While the national economy is experiencing the worst economic slowdown since the Great Depression, Oklahoma’s General Revenue Fund collections for the month of December once again topped prior year receipts and the estimate, State Treasurer Scott Meacham announced today.

Preliminary reports show General Revenue Fund collections for December totaled \$567.4 million. That amount is:

- \$37.7 million or 7.1 percent above the prior year; and
- \$56.2 million or 11 percent above the estimate.

“We should count our blessings,” Meacham said in reaction to December’s revenue reports. “We are building a comfortable cushion as we head into the new year, while most of the rest of the nation is being forced to make drastic cutbacks in essential governmental services as their economies suffer the effects of the global recession.”

Meacham said the strong collection numbers reflect the important role the oil and natural gas industries play in Oklahoma’s economy.

“Gross production taxes on oil and natural gas are about 75 percent higher than December of last year and are close to double what was estimated to be collected,” he said. “In fact, without the exceptionally high gross production tax collections, overall collections for the state would be below the estimate for the fiscal year.”

Meacham said sales tax collections for the month – reflecting Christmas sales through mid-December – show an increase from the previous year.

“Sales tax collections grew by almost four percent over last December,” he said. “Given what is going on in the national economy, this is great news for Oklahoma.”

Meacham said personal income tax collections are becoming a growing concern as collections for December dropped below the prior year by almost six percent.

(more)

“As the unemployment rate in Oklahoma inches up and Oklahoma companies tighten their belts, we are beginning to see a decrease in the amount of money state employers are withholding and sending to the state,” he said. “Last month, withholding was down \$3.6 million from last December.”

Net income taxes, a combination of personal and corporate income tax collections, produced \$247.7 million, which was \$13.5 million or 5.2 percent below the prior year but \$13.3 million or 5.7 percent above the estimate.

Personal income tax collections for the month totaled \$211.9 million, which is \$13.3 million or 5.9 percent below the prior year but \$11.9 million or 6 percent above the estimate. Corporate collections totaled \$35.7 million, which is \$0.1 million or 0.4 percent below the prior year but \$1.4 million or 4 percent above the estimate.

The gross production tax on oil and natural gas yielded \$98.7 million for the month, which was \$42.1 million or 74.5 percent above the prior year and \$47 million or 90.9 percent above the estimate.

The state sales tax produced \$148.9 million for the month, which was \$5.1 million or 3.6 percent above the prior year and \$0.2 million or 0.1 percent above the estimate.

Motor vehicle collections for the month were \$9.2 million, which was \$3.1 million or 25.2 percent below the prior year and \$5.9 million or 38.9 percent below the estimate.

Other revenue produced \$62.9 million for the month of December. This was \$7 million or 12.6 percent above the prior year and \$1.6 million or 2.6 percent above the estimate.

The treasurer’s investment earnings for December were \$14.5 million, which is \$1.2 million or 8.9 percent above the prior year.

Preliminary reports show General Revenue Fund collections for the first six months of FY ‘09 totaled \$3.069 billion. That amount is:

- \$224.8 million or 7.9 percent above the prior year; and
- \$189.5 million or 6.6 percent above the estimate.

The gross production tax on oil and natural gas yielded \$523.5 million during the six-month period, which is \$193.9 million or 58.8 percent above the prior year and \$190.4 million or 57.1 percent above the estimate.

During the first half of the fiscal year, net income taxes produced \$1.241 billion, topping collections of one year ago by \$18.8 million or 1.5 percent and exceeding the estimate by \$51.9 million or 4.4 percent.

(more)

Year-to-date personal income tax collections total \$1.110 billion, which is \$7.7 million or 0.7 percent above the prior year and \$37.7 million or 3.5 percent above the estimate. Corporate collections for the same time period total \$131.3 million, which is \$11.1 million or 9.3 percent above the prior year and \$14.2 million or 12.2 percent above the estimate.

The state sales tax produced \$871 million for the period, which is \$49 million or 6 percent above the prior year and \$12.3 million or 1.4 percent above the estimate.

Motor vehicle tax receipts, which come primarily from vehicle sales and licenses, produced \$94.5 million in FY-09's first half. This is \$31.4 million or 25 percent below the prior year and \$27.6 million or 22.6 percent below the estimate.

Other revenue, which includes investment earnings along with taxes on insurance, alcoholic beverages and others, produced \$338.4 million during the first half of the fiscal year. This is \$5.4 million or 1.6 percent below the prior year and \$37.5 million or 10 percent below the estimate.

The treasurer's earnings on investments for the first half of the fiscal year were \$83.2 million, which is \$1.1 million or 1.3 percent below the prior year.

###

For more information contact:

Tim Allen, Deputy Treasurer for Policy and Administration, (405) 522-4212

General Revenue Comparisons With Prior Year

CHART I

PRELIMINARY MONTHLY COMPARISON SUMMARY December 2008

(In \$ millions)	FY-08 Actual	FY-09 Actual	Variance From Prior Year	
	December 2007	December 2008	\$	%
Net Income Tax	261.2	247.7	-13.5	-5.2%
Gross Production	56.5	98.7	42.1	74.5%
Sales Tax	143.8	148.9	5.1	3.6%
Motor Vehicle	12.3	9.2	-3.1	-25.2%
Subtotal: Major Taxes	473.8	504.5	30.7	6.5%
Other Sources (1)	55.9	62.9	7.0	12.6%
TOTAL GEN REVENUE	529.7	567.4	37.7	7.1%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	529.7	567.4	37.7	7.1%

PRELIMINARY 6 MONTH YEAR TO DATE SUMMARY December 2008

(In \$)	FY-08 Actual	FY-09 Actual	Variance From Prior Year	
	Thru December 2007	Thru December 2008	\$	%
Net Income Tax	1,222.4	1,241.2	18.8	1.5%
Gross Production	329.5	523.5	193.9	58.8%
Sales Tax	822.0	871.0	49.0	6.0%
Motor Vehicle	126.0	94.5	-31.4	-25.0%
Subtotal: Major Taxes	2,499.9	2,730.2	230.3	9.2%
Other Sources (1)	343.9	338.4	-5.4	-1.6%
TOTAL GEN REVENUE	2,843.8	3,068.6	224.8	7.9%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	2,843.8	3,068.6	224.8	7.9%

(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 December 2008	
(In \$ millions)	FY-09 Estimate December 2008	FY-09 Actual December 2008	Variance From Estimate \$	Variance From Estimate %

Net Income Tax	234.4	247.7	13.3	5.7%
Gross Production	51.7	98.7	47.0	90.9%
Sales Tax	148.7	148.9	0.2	0.1%
Motor Vehicle	15.1	9.2	-5.9	-38.9%

Subtotal: Major Taxes	449.9	504.5	54.6	12.1%
-----------------------	-------	-------	------	-------

Other Sources (1)	61.3	62.9	1.6	2.6%
-------------------	------	------	-----	------

TOTAL GEN REVENUE	511.2	567.4	56.2	11.0%
--------------------------	--------------	--------------	-------------	--------------

Less 1-time receipts	0.0	0.0	0.0	0.0%
----------------------	-----	-----	-----	------

Recurring Rev. (2)	511.2	567.4	56.2	11.0%
--------------------	-------	-------	------	-------

PRELIMINARY	6 MONTH YEAR TO DATE		SUMMARY December 2008	
(In \$ millio	FY-09 Estimate thru December 2008	FY-09 Actual thru December 2008	Variance From Estimate \$	Variance From Estimate %

Net Income Tax	1,189.3	1,241.2	51.9	4.4%
Gross Production	333.1	523.5	190.4	57.1%
Sales Tax	858.6	871.0	12.3	1.4%
Motor Vehicle	122.2	94.5	-27.6	-22.6%

Subtotal: Major Taxes	2,503.2	2,730.2	227.0	9.1%
-----------------------	---------	---------	-------	------

Other Sources (1)	375.9	338.4	-37.5	-10.0%
-------------------	-------	-------	-------	--------

TOTAL GEN REVENUE	2,879.1	3,068.6	189.5	6.6%
--------------------------	----------------	----------------	--------------	-------------

Less 1-time receipts	0.0	0.0	0.0	0.0%
----------------------	-----	-----	-----	------

Recurring Rev. (2)	2,879.1	3,068.6	189.5	6.6%
--------------------	---------	---------	-------	------

(1) Other sources revenue estimated pending final accounting.

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

Details may not sum due to rounding.