



**OKLAHOMA STATE TREASURER  
KEN MILLER**

**For Immediate Release: January 7, 2015**

## **Oklahoma Economy Expands during 2014**

**OKLAHOMA CITY** – The Oklahoma economy grew at a faster pace in calendar year 2014 than during the prior two years, State Treasurer Ken Miller said today as he released the state’s monthly Gross Receipts to the Treasury Report.

“The calendar year was a good one for Oklahoma’s economy with all major sources of revenue finishing the year in the black,” Miller said. “The numbers show more of our people are working and they are expressing confidence through increased consumption.

“Clearly, the state economy performed well during the past 12 months. However, this new year will likely have its challenges, especially with today’s low oil prices,” he said.

The growth in gross receipts during 2014 was 4.9 percent, compared to 3.2 percent in 2013 and 3.8 percent in 2012. In December, an almost 12 percent increase in income tax collections pushed the bottom line up by just shy of eight percent compared to the same month of the prior year. Total gross receipts in December, at \$1.04 billion, are the largest amount collected during any December in Oklahoma history.

Total monthly gross receipts were less than prior year collections only one time during 2014, and that was due to a reporting correction, not an economic factor. However, corporate income taxes missed the mark five times, finishing the year down by almost seven percent from the prior 12 months.

Sales tax collections indicate a stronger Christmas shopping season than last year. December sales tax collections, reflecting sales between mid-November and mid-December, were \$15.83 million or 4.3 percent higher than during the same period of 2013. Last December, sales taxes were \$3.5 million or one percent higher than the same period of the prior year.

### **Oil prices**

The revenue stream showing the biggest expansion in 2014 is the gross production tax on oil and natural gas – rising by more than 11 percent during the calendar year. After falling below collections of the same month of the prior year in November – for the first time in 19 months – gross production receipts rose in December, exceeding the prior year by just over three percent.

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“It seems somewhat counterintuitive to see rising extraction tax collections during a time of suppressed prices,” Miller said. “However, December receipts reflect oil field activity in October, when the spot price per barrel was \$84.40 for West Texas Intermediate at Cushing. We have yet to feel the impact of the current, lower prices.”

In late December, the same oil was selling for less than \$55 per barrel. Gross collections won't reflect those prices until February. Though, Miller said the full impact might be cushioned by hedge contracts at a higher per barrel price held by some production companies.

### **Other measurements**

During the past 12 months, figures from the Oklahoma Employment Security Commission show the number of those unemployed dropped by 20,590, while the number of people with jobs decreased by 5,140. During that time, the unemployment rate fell from 5.5 percent to 4.4 percent.

The Oklahoma Business Conditions Index anticipates economic expansion in Oklahoma's economy during the next three to six months. The index rate slipped slightly to 54 in December from November's rate of 54.5. Numbers above 50 indicate anticipated economic growth in the coming months.

### **December collections**

The gross receipts report for December shows gross collections at \$1.04 billion, up \$76.38 million or 7.9 percent from December 2013.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$380.78 million, an increase of \$40.15 million or 11.8 percent from the previous December.

Personal income tax collections for the month are \$316.34 million, up \$31.61 million or 11.1 percent from the prior year. Corporate collections are \$64.44 million, an increase of \$8.54 million or 15.3 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$384.31 million in December. That is \$15.83 million or 4.3 percent above December 2013.

Gross production taxes on oil and natural gas generated \$72.09 million in December, an increase of \$2.25 million or 3.2 percent from last December. Compared to November reports, gross production collections are up by \$5.93 or 9 percent.

Motor vehicle taxes produced \$65.6 million, up by \$9.96 million or 17.9 percent from the prior year.

Other collections, consisting of about 60 different sources including taxes on fuel, tobacco, horse race gambling and alcoholic beverages, produced \$139.21 million during the month. That is \$8.19 million or 6.3 percent more than last December.

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## **2014 collections**

During 2014, gross revenue totals \$12.01 billion. That is \$564.79 million or 4.9 percent higher than collections in 2013.

Gross income taxes generated \$4.26 billion for the year, reflecting an increase of \$153.86 million or 3.7 percent from the prior calendar year.

Personal income tax collections total \$3.72 billion, up by \$193.92 million or 5.5 percent from 2013. Corporate collections are \$539.56 million for the period, a decrease of \$40.06 million or 6.9 percent over the previous year.

Sales taxes for the year generated \$4.45 billion, an increase of \$184.48 million or 4.3 percent from the prior 12-months.

Oil and gas gross production tax collections brought in \$883.82 million during the 12 months, up by \$88.32 million or 11.1 percent from the previous period.

Motor vehicle collections total \$777.86 million for the period. This is an increase of \$53.93 million or 7.4 percent from the trailing 12 months.

Other sources generated \$1.64 billion, up \$84.21 million or 5.4 percent from the previous calendar year.

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### **For more information contact:**

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# Gross Receipts to Treasury

PRELIMINARY

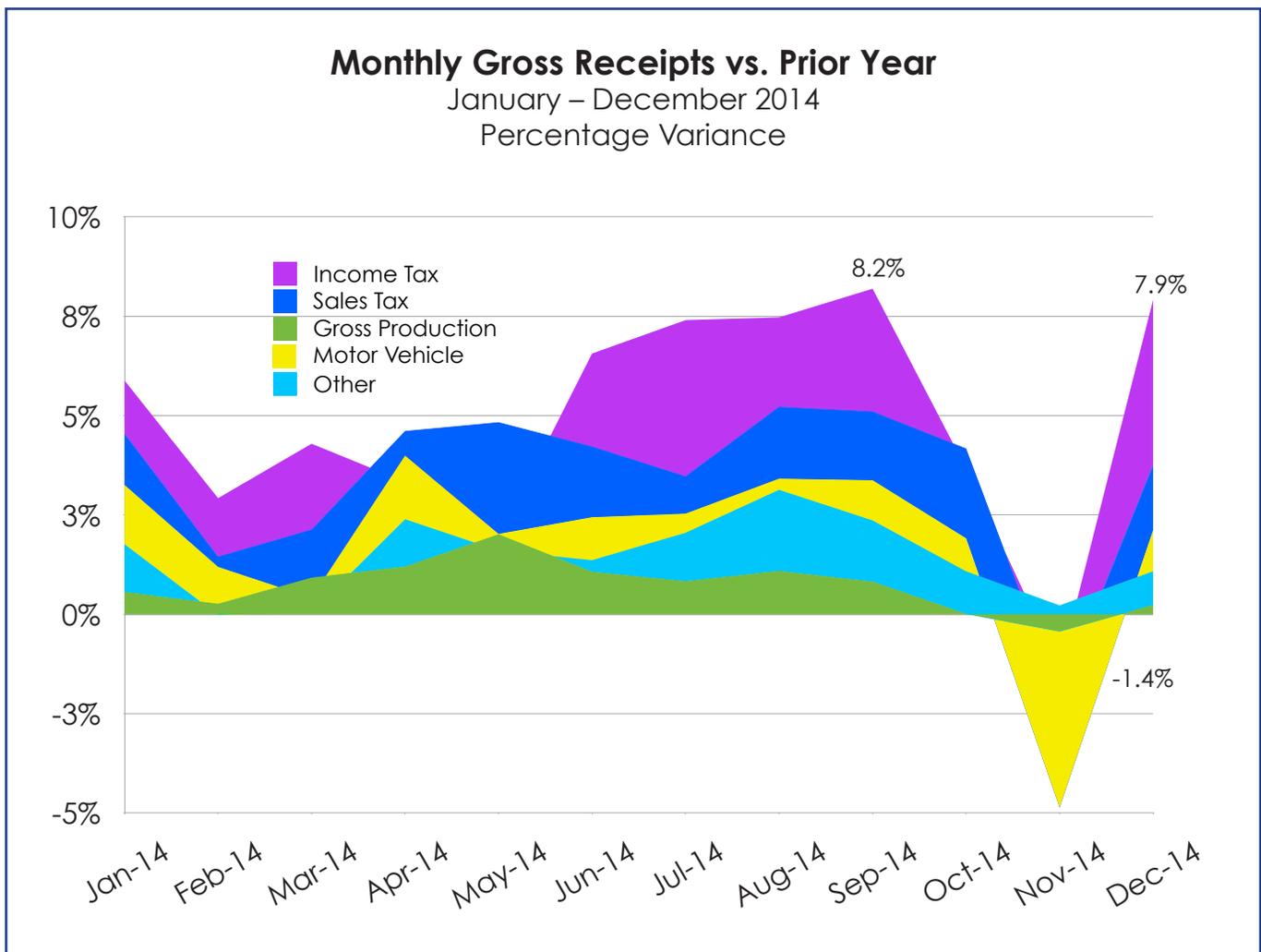
## MONTHLY COMPARISON

(In \$ millions)			Variance From Prior Year	
	December-13	December-14	\$	%
Income Tax	340.64	380.78	40.15	11.8%
Gross Production	69.84	72.09	2.25	3.2%
Sales Tax (1)	368.49	384.31	15.83	4.3%
Motor Vehicle	55.64	65.60	9.96	17.9%
Other Sources (2)	131.01	139.21	8.19	6.3%
<b>TOTAL REVENUE</b>	<b>965.61</b>	<b>1,041.99</b>	<b>76.38</b>	<b>7.9%</b>

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



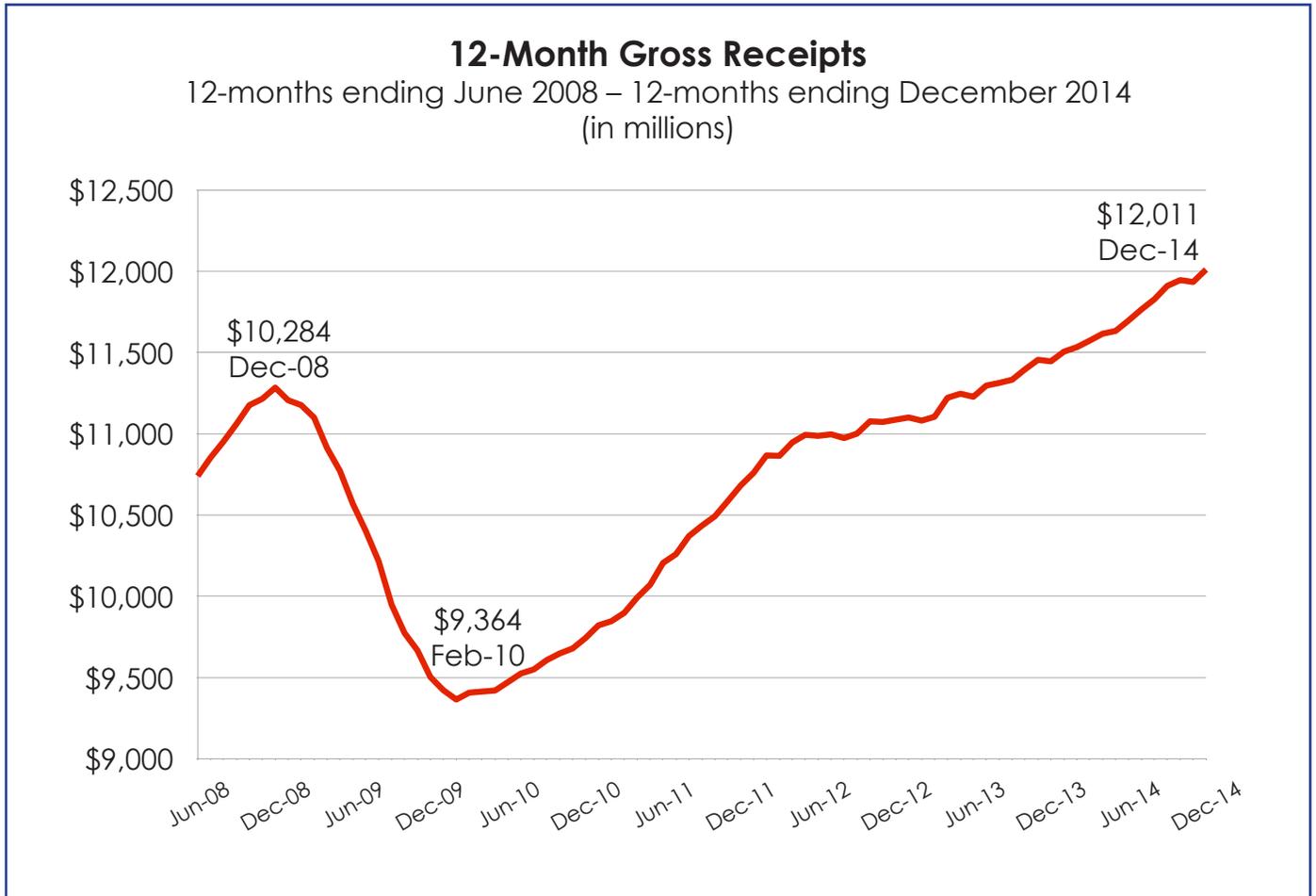
# Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending Jan 2014-Dec 2014		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	Jan 2013 - Dec 2013	Jan 2014 - Dec 2014	\$	%
Income Tax	4,107.68	4,261.54	153.86	3.7%
Gross Production	795.50	883.82	88.32	11.1%
Sales Tax (1)	4,267.21	4,451.68	184.48	4.3%
Motor Vehicle	723.93	777.86	53.93	7.4%
Other Sources (2)	1,551.67	1,635.88	84.21	5.4%
<b>TOTAL REVENUE</b>	<b>11,445.98</b>	<b>12,010.77</b>	<b>564.79</b>	<b>4.9%</b>

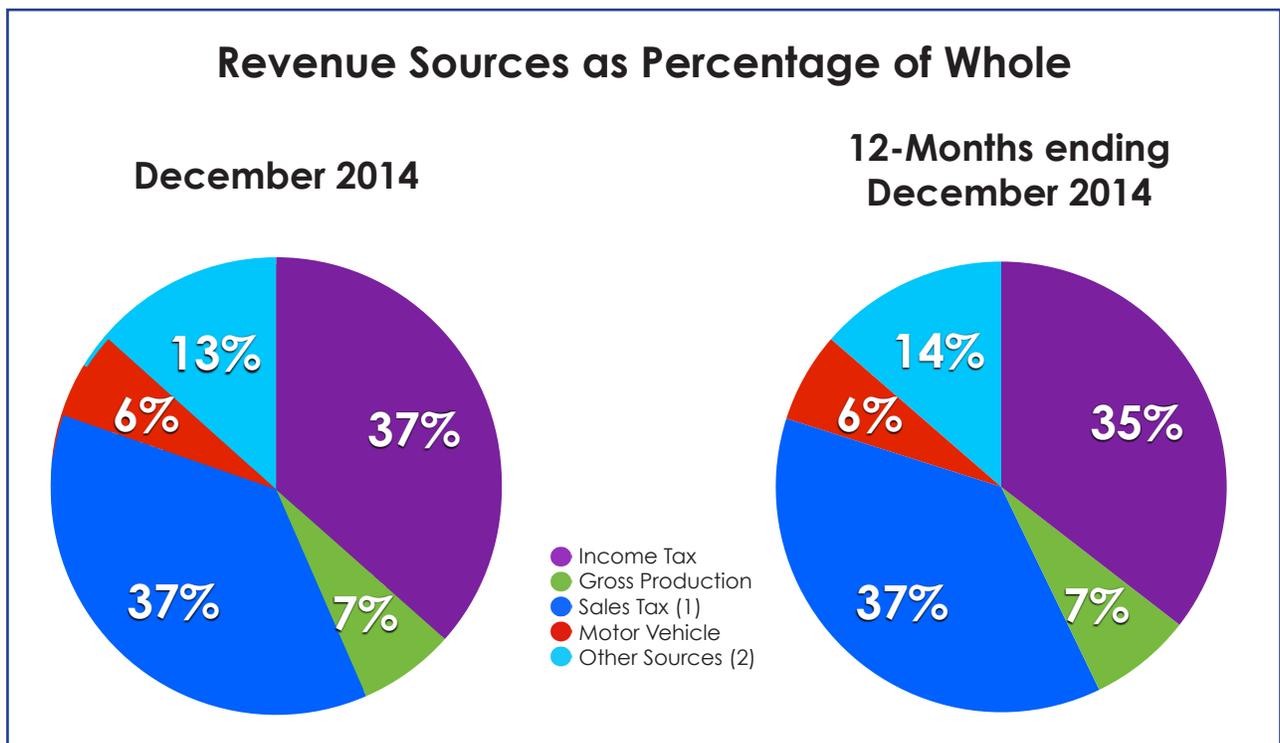
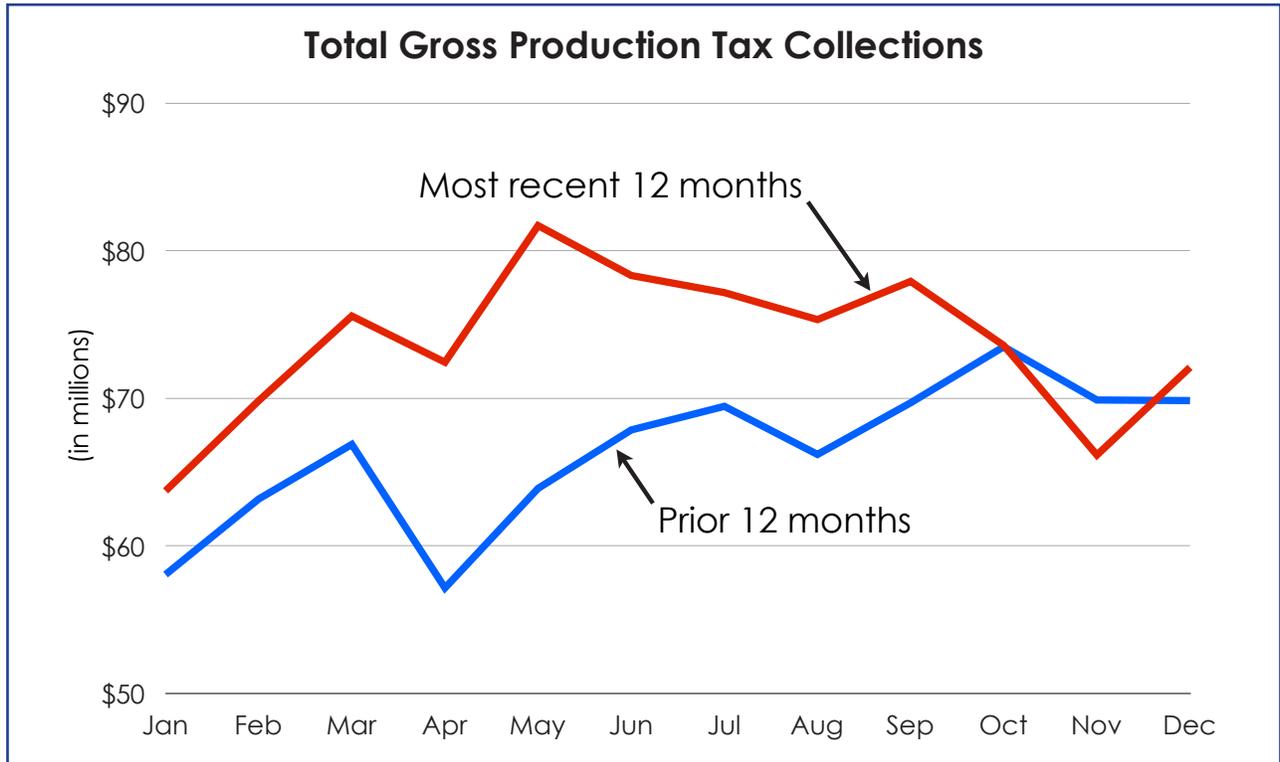
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# Gross Receipts to Treasury



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