



**OKLAHOMA STATE TREASURER
RANDY MCDANIEL**

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Oklahoma Gross Receipts Finish Strong in 2018

OKLAHOMA CITY –Gross Receipts to the Treasury grew at a double-digit pace, increasing by more than \$1.5 billion, during calendar year 2018, State Treasurer Randy McDaniel announced today.

Gross receipts for 2018 were slightly less than \$13 billion and grew by 13.2 percent compared to calendar year 2017 collections. During the month of December, total receipts topped \$1.1 billion and were up by more than \$135 million, or 13.4 percent, compared to December 2017.

“Oklahoma’s economy has been performing admirably,” Treasurer McDaniel said. “Gross receipts have improved significantly, while unemployment remains low. These and other economic indicators point to a favorable outlook for the state, but could be restrained by the downturn in energy prices, global trade uncertainty, and stock market volatility.”

Every major revenue stream expanded during 2018 at rates ranging from 84 percent for gross production taxes on oil and natural gas production to 2.5 percent for motor vehicle taxes.

For the month of December, every major revenue source except individual income tax receipts showed growth. The tax commission reports a 1 percent reduction in individual income tax collections was likely due to one less remittance deadline for withholding taxes this December compared to last.

Officials continue to closely watch gross production tax collections due to the recent downturn in crude oil prices. December gross production collections of \$118.4 million are up by \$62.2 million, or 110.7 percent, compared to December 2017.

However, December collections reflect oilfield activity from October when West Texas Intermediate crude oil at Cushing averaged \$70.75 per barrel. Collections in January will reflect November production, when oil prices averaged \$56.96 per barrel.

New Tax Revenue

Revenue generated by increased tax rates approved in House Bill 1010 during special session last year added \$62.6 million to monthly collections, 5.5 percent of December gross receipts.

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The largest share, \$38.5 million, came from the increase from 2 percent to 5 percent in the incentive tax rate on oil and natural gas gross production. Higher tax rates on gasoline and diesel fuel generated \$9.5 million, and the \$1 per pack hike in cigarette taxes added \$14.6 million to December's total.

Other indicators

The Oklahoma Business Conditions Index has topped growth neutral for 17 consecutive months. The December index rose to 56.4 from 55.9 in November. Numbers above 50 indicate anticipated economic growth during the next three to six months.

Oklahoma's seasonally adjusted unemployment rate of 3.3 percent in November is down by one-tenth of a percentage point from October. The U.S. jobless rate of 3.7 percent is unchanged from the prior month, according to figures released by the Oklahoma Employment Security Commission.

December collections

December gross collections total \$1.1 billion, up \$135.2 million, or 13.4 percent, from December 2017.

Gross income tax collections, a combination of individual and corporate income taxes, generated \$350.4 million, a decrease of \$855,385, or 0.2 percent, from the previous December.

Individual income tax collections for the month are \$293.6 million, down by \$2.9 million, or 1 percent, from the prior year. Corporate collections are \$56.8 million, an increase of \$2.1 million, or 3.8 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$428.2 million in December. That is \$24.7 million, or 6.1 percent, more than December 2017.

Gross production taxes on oil and natural gas generated \$118.4 million in December, an increase of \$62.2 million, or 110.7 percent, from last December. Compared to November reports, gross production remittances are down by \$407,753, or 0.3 percent.

Motor vehicle taxes produced \$61.4 million, up by \$1.5 million, or 2.4 percent, from the same month of 2017.

Other collections, consisting of about 60 different sources including use taxes, along with taxes on fuel, tobacco, and alcoholic beverages, produced \$186.7 million during the month. That is \$47.7 million, or 34.4 percent, more than last December.

2018 collections

Gross revenue totals \$13 billion from 2018. That is \$1.5 billion, or 13.2 percent, more than collections from 2017.

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Gross income taxes generated \$4.4 billion for the period, reflecting an increase of \$372.5 million, or 9.2 percent, from the prior calendar year.

Individual income tax collections total \$3.9 billion, up by \$278 million, or 7.7 percent, from the prior year. Corporate collections are \$499.7 million for the period, an increase of \$94.4 million, or 23.3 percent, over the previous period.

Sales taxes for the 12 months generated \$4.8 billion, an increase of \$404.2 million, or 9.1 percent, from the prior year.

Oil and gas gross production tax collections brought in \$988.4 million during the year, up by \$451.2 million, or 84 percent, from the previous year.

Motor vehicle collections total \$784.3 million for the period. This is an increase of \$19.4 million, or 2.5 percent, from the trailing year.

Other sources generated \$2 billion, up by \$269.2 million, or 16 percent, from the previous 12 months.

About Gross Receipts to the Treasury

The Office of the State Treasurer developed the monthly Gross Receipts to the Treasury report in order to provide a timely and broad view of the state's macro economy.

It is released in conjunction with the General Revenue Fund allocation report from the Office of Management and Enterprise Services, which provides important information to state agencies for budgetary planning purposes.

The General Revenue Fund receives less than half of the state's gross receipts with the remainder paid in rebates and refunds, remitted to cities and counties, and apportioned to other state funds.

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For more information contact:

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Gross Receipts to Treasury

PRELIMINARY

MONTHLY COMPARISON

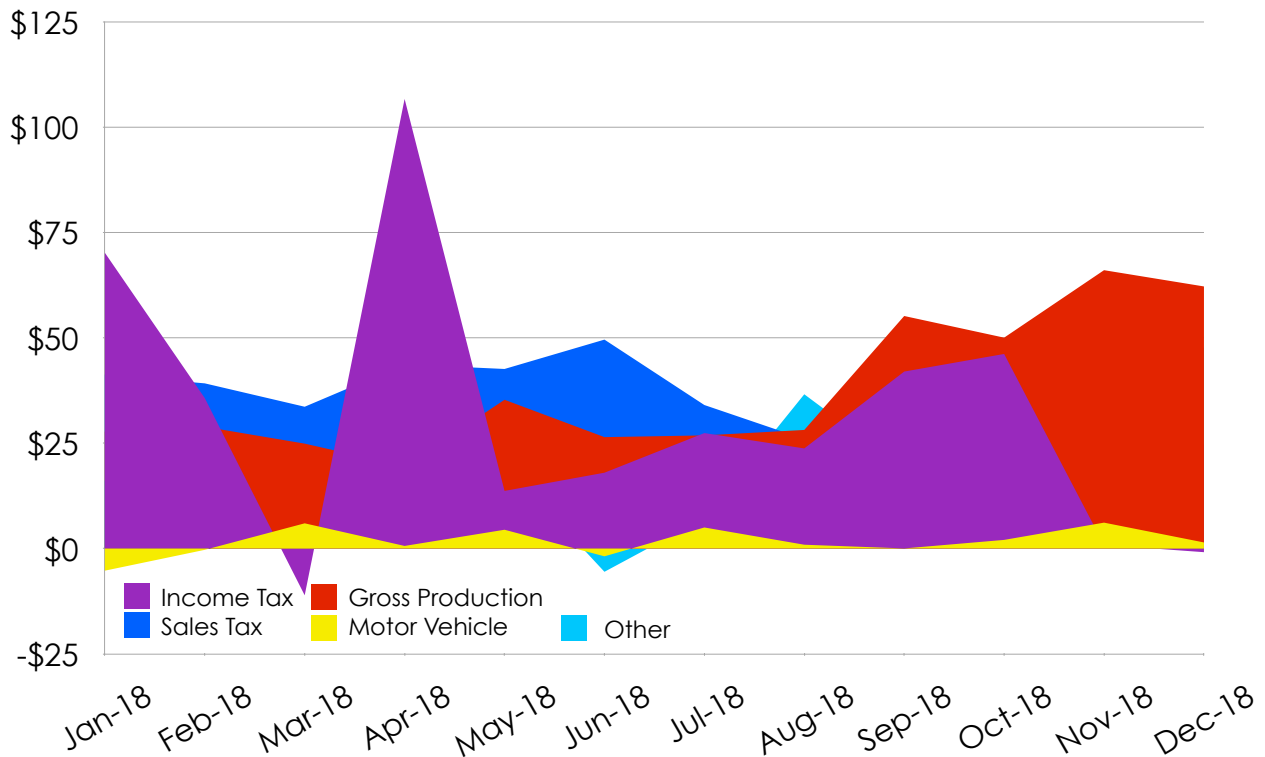
(In \$ millions)			Variance From Prior Year	
	December-17	December-18	\$	%
Income Tax	351.2	350.4	(0.9)	-0.2%
Gross Production	56.2	118.4	62.2	110.7%
Sales Tax (1)	403.5	428.2	24.7	6.1%
Motor Vehicle	59.9	61.4	1.5	2.4%
Other Sources (2)	138.9	186.7	47.7	34.4%
TOTAL REVENUE	1,009.7	1,144.9	135.2	13.4%

(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
 January – December 2018
 Dollar Variance in Millions from Same Month of Prior Year



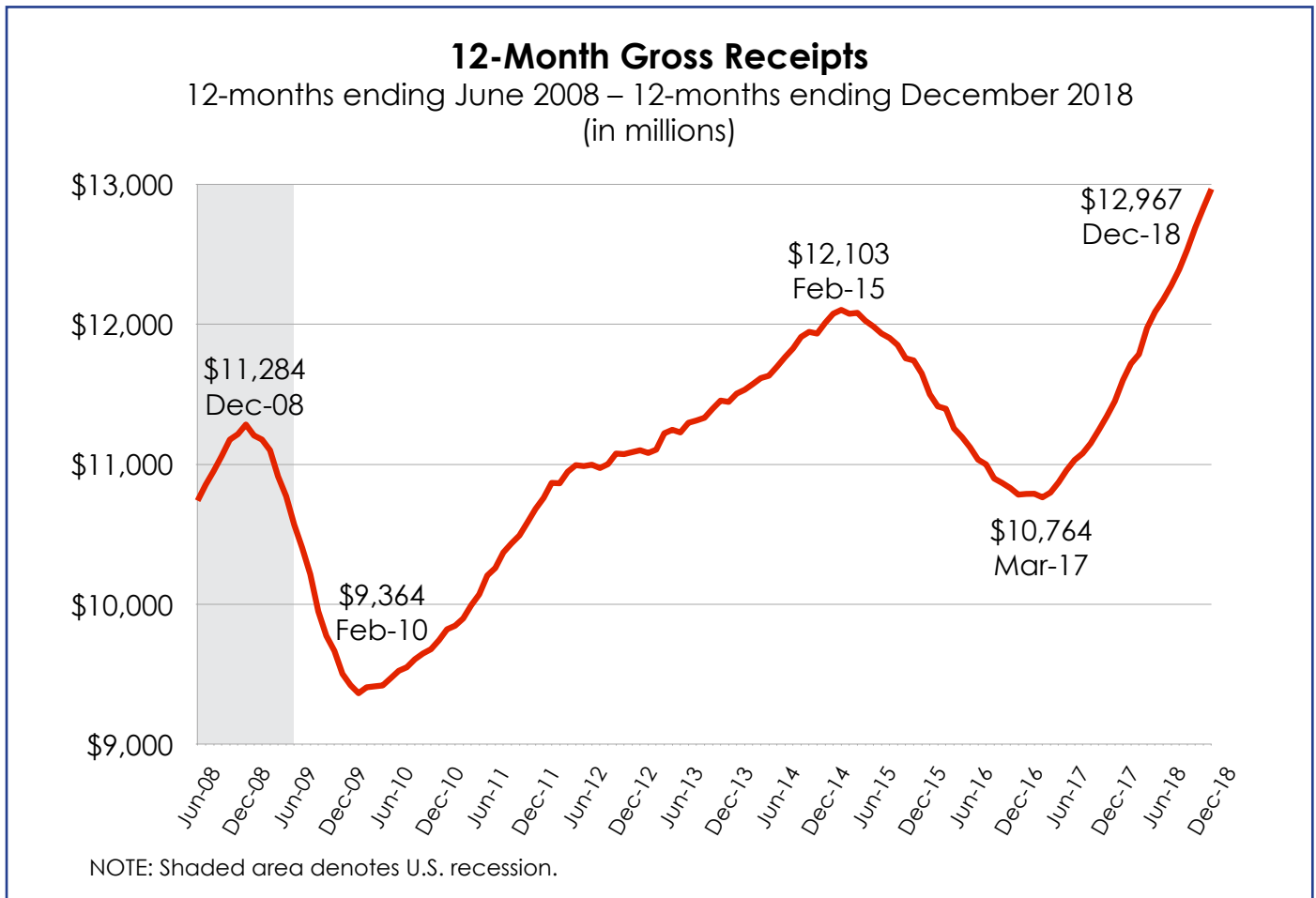
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending Jan 18 - Dec 18		Summary	
	Prior Year Jan 17 - Dec 17	Current Year Jan 18 - Dec 18	Variance From Prior Year	
			\$	%
Income Tax	4,026.7	4,399.2	372.5	9.2%
Gross Production	537.2	988.4	451.2	84.0%
Sales Tax (1)	4,434.7	4,839.0	404.2	9.1%
Motor Vehicle	764.9	784.3	19.4	2.5%
Other Sources (2)	1,687.3	1,956.5	269.2	16.0%
TOTAL REVENUE	11,450.9	12,967.4	1,516.5	13.2%

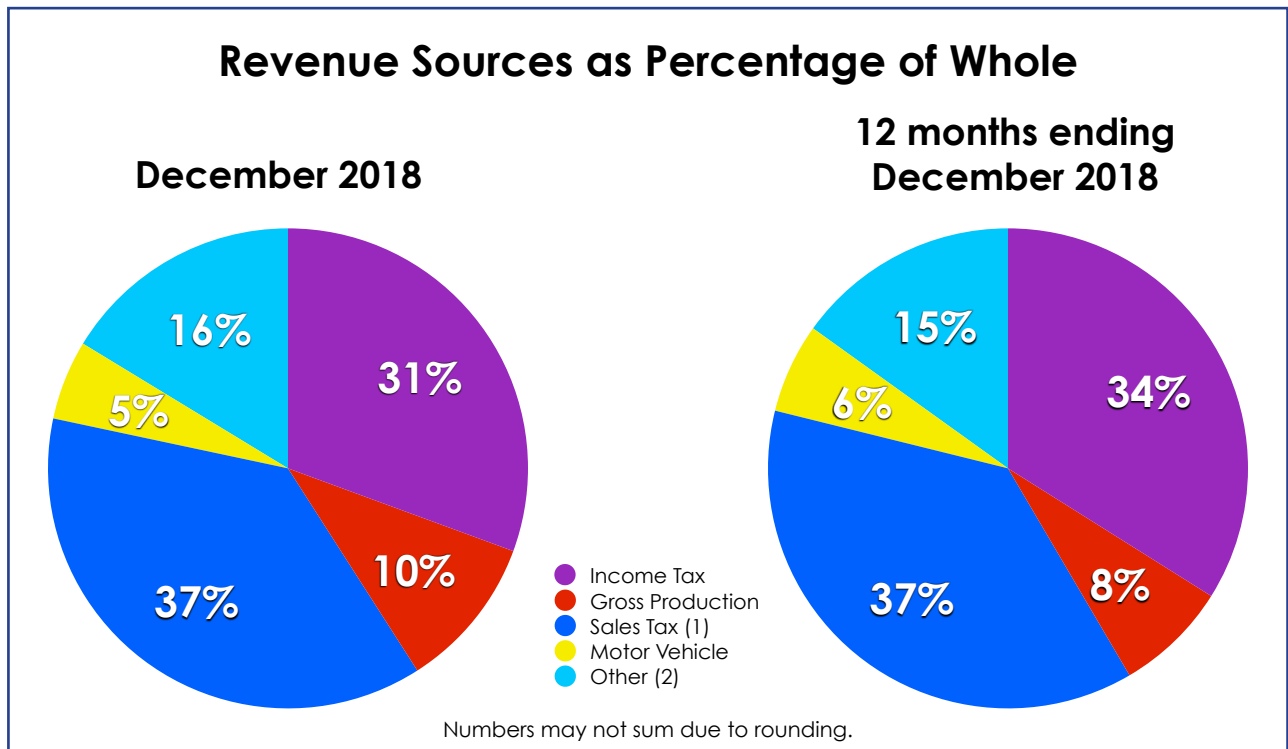
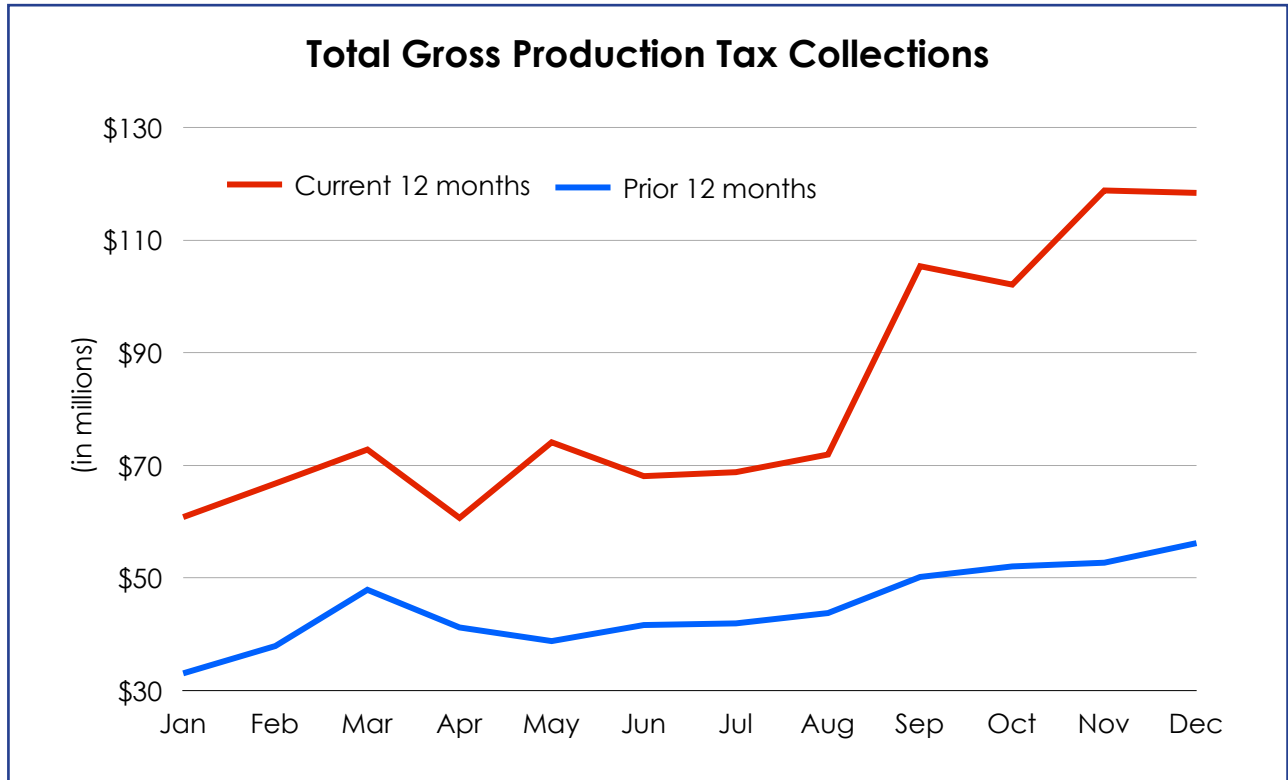
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Gross Receipts to Treasury



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