



**OKLAHOMA STATE TREASURER
KEN MILLER**

For Immediate Release: July 8, 2015

Gross Receipts to the Treasury Slip Again in June

OKLAHOMA CITY – For a second consecutive month, and the fourth time this fiscal year, monthly Gross Receipts to the Treasury were less than collections from the prior year, State Treasurer Ken Miller announced at a State Capitol news conference on Wednesday.

June gross receipts fell slightly below \$1 billion and were 3.9 percent less than in June of last year. Collections from the production of oil and natural gas dropped more than 54 percent below the prior year.

“The state economy is certainly feeling the impact of the oil price downturn,” Miller said. “Gross production numbers have been below prior year collections for six consecutive months, and it appears we are seeing spillover into other revenue streams – especially motor vehicle and sales tax collections.”

June gross production collections are from oilfield activity in April, when West Texas Intermediate crude oil was selling for \$54.45 per barrel in Cushing. Oil prices peaked at more than \$107 last June and bottomed out at less than \$45 in late January. Prices are currently hovering around \$60.

Sales tax collections – often viewed as an indicator of consumer confidence – dipped below the prior year for the third time in four months. Income tax collections rebounded from May and exceeded the prior year by more than 3 percent, and motor vehicle receipts were marginally higher than last June.

Gross receipts for Fiscal Year 2015 total \$11.98 billion, with a growth rate of 2.5 percent compared to FY-14. While the rate of growth in 12-month collections has remained positive for more than five years, it is currently flattening out. At the end of FY-14, the rate was at 4.1 percent, rose to 5.1 percent in September, and has generally gotten smaller since.

Gross production finished the fiscal year almost 19 percent below FY-14. Motor vehicle collections also finished below the prior fiscal year, down by 2.6 percent. Income tax and sales tax receipts showed fiscal year growth of 6.5 percent and 2.7 percent, respectively.

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Other indicators

Oklahoma's unemployment rate rose 0.2 percentage points to 4.3 percent during May. Six of the state's supersectors reported job losses with the energy sector posting the largest drop. The national unemployment rate was set at 5.5 percent in May.

Oklahoma City metropolitan unemployment increased 0.4 percentage points to 3.8 percent in May, while Tulsa's jobless rate jumped 0.5 percentage points to 4.3 percent. Unemployment increased in all but two of the state's 77 counties.

The Business Conditions Index for Oklahoma in June remained below growth neutral for a second consecutive month, slipping to 46.9 from May's 47.0. Numbers below 50 indicate economic contraction is expected during the next three to six month.

June collections

Receipts for June set gross collections at \$999.36 million, down \$40.79 million or 3.9 percent from June 2014.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$406.92 million, an increase of \$12.56 million or 3.2 percent from the previous June.

Personal income tax collections for the month are \$307.8 million, up \$5.77 million or 1.9 percent from the prior year. Corporate collections are \$99.12 million, up by \$6.79 million or 7.4 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$364.65 million in June. That is \$11.97 million or 3.2 percent lower than June 2014.

Gross production taxes on oil and natural gas generated \$35.91 million in June, a decrease of \$42.41 million or 54.1 percent from last June. Compared to May reports, gross production collections are down by \$2.12 million or 5.6 percent.

Motor vehicle taxes produced \$69.39 million, up by \$42,000 or 0.1 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 \$122.49 million during the month. That is \$979,000 or 0.8 percent more than last June.

Twelve-month collections

Gross revenue totals \$11.98 billion during FY 2015. That is \$287.66 million or 2.5 percent higher than collections from FY 2014.

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Gross income taxes generated \$4.4 billion for the period, reflecting an increase of \$269.78 million or 6.5 percent from the prior fiscal year.

Personal income tax collections total \$3.8 billion, up by \$205.76 million or 5.7 percent from the prior fiscal year. Corporate collections are \$579.44 million for the period, an increase of \$64.02 million or 12 percent over the previous period.

Sales taxes for the period generated \$4.46 billion, an increase of \$116.27 million or 2.7 percent from the prior 12-months.

Oil and gas gross production tax collections brought in \$697.85 million during the fiscal year, down by \$162.26 million or 18.9 percent from the previous year.

Motor vehicle collections total \$766.25 million for the year. This is a drop of \$20.2 million or 2.6 percent from the trailing fiscal year.

Other sources generated \$1.65 billion, up \$84.07 million or 5.4 percent from the previous 12 months.

About Gross Receipts to the Treasury

Since March 2011, the Treasurer's Office has issued the monthly Gross Receipts to the Treasury report, which provides a timely and broad view of the state's macro economy.

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

The GRF receives about half of the state's gross receipts with the remainder paid in rebates and refunds, remitted to cities and counties, and placed into off-the-top earmarks to other state funds.

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Gross Receipts to Treasury

PRELIMINARY

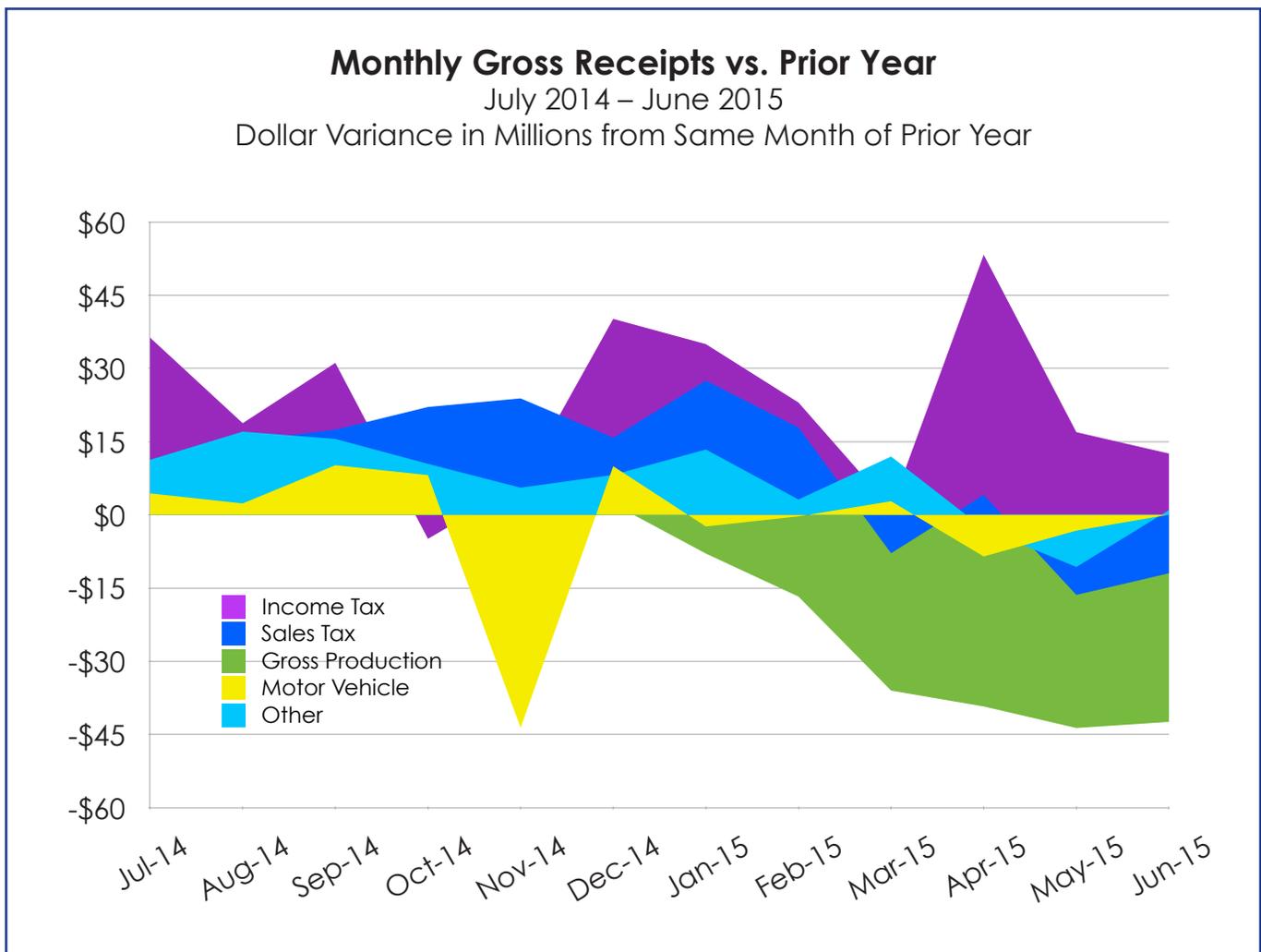
MONTHLY COMPARISON

(In \$ millions)	MONTHLY COMPARISON		Variance From Prior Year	
	June-14	June-15	\$	%
Income Tax	394.36	406.92	12.56	3.2%
Gross Production	78.32	35.91	-42.41	-54.1%
Sales Tax (1)	376.62	364.65	-11.97	-3.2%
Motor Vehicle	69.35	69.39	0.04	0.1%
Other Sources (2)	121.51	122.49	0.98	0.8%
TOTAL REVENUE	1,040.15	999.36	-40.79	-3.9%

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



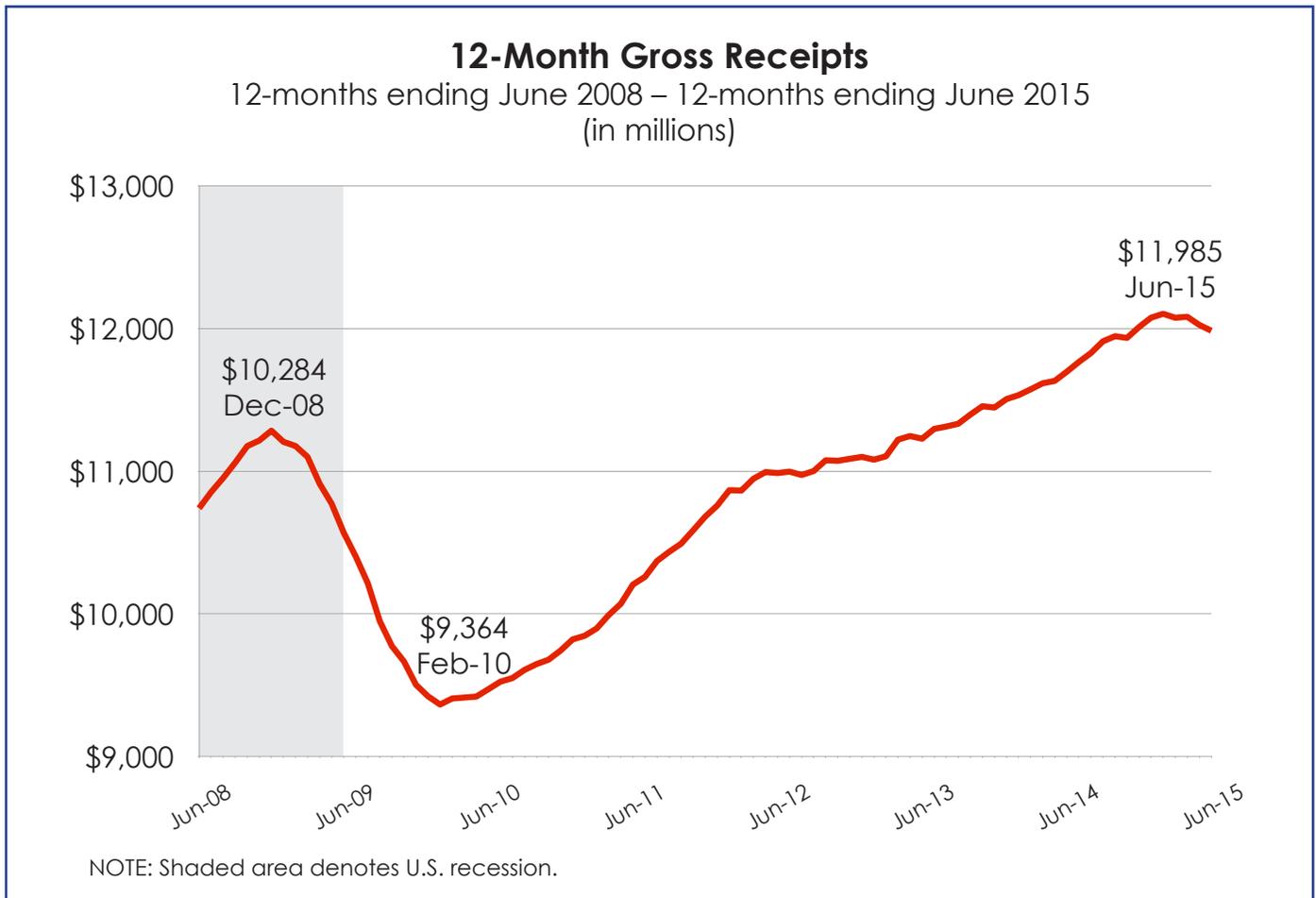
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending July 2014-June 2015		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	July 2013 - June 2014	July 2014 - June 2015	\$	%
Income Tax	4,133.95	4,403.73	269.78	6.5%
Gross Production	860.11	697.85	-162.26	-18.9%
Sales Tax (1)	4,348.67	4,464.94	116.27	2.7%
Motor Vehicle	786.45	766.25	-20.20	-2.6%
Other Sources (2)	1,567.78	1,651.85	84.07	5.4%
TOTAL REVENUE	11,696.95	11,984.61	287.66	2.5%

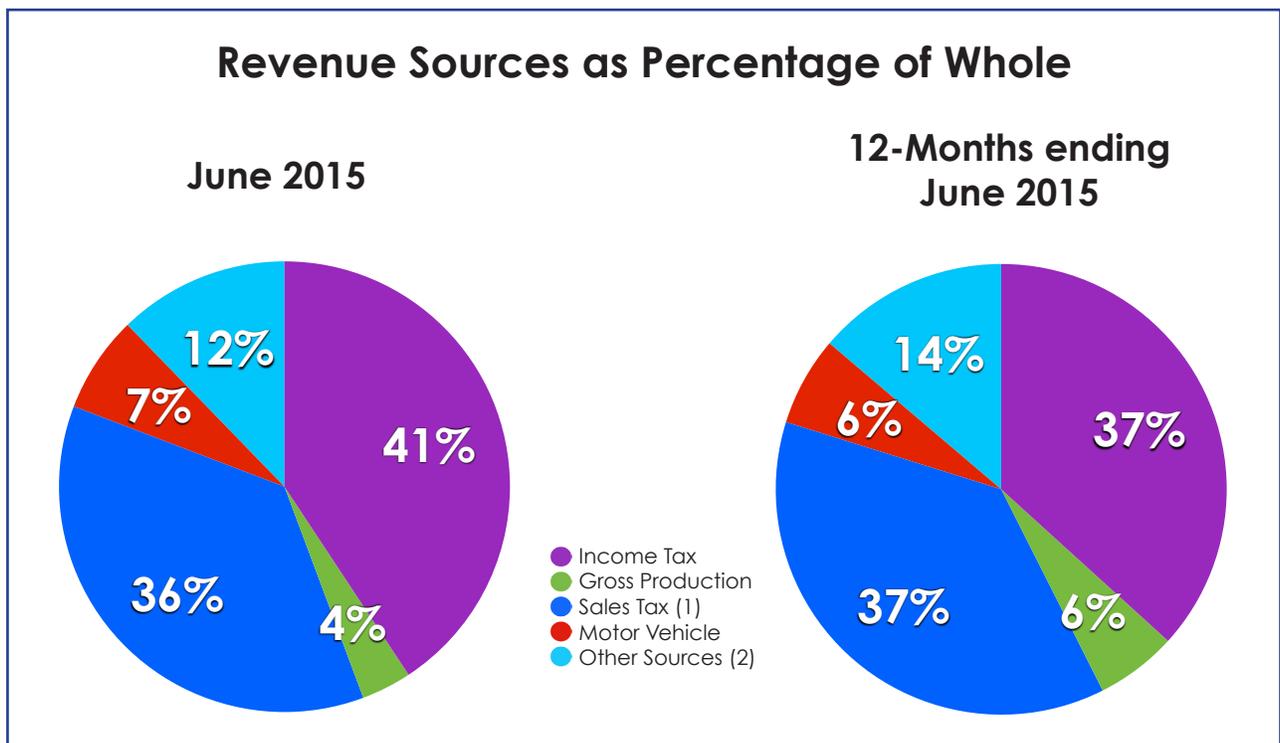
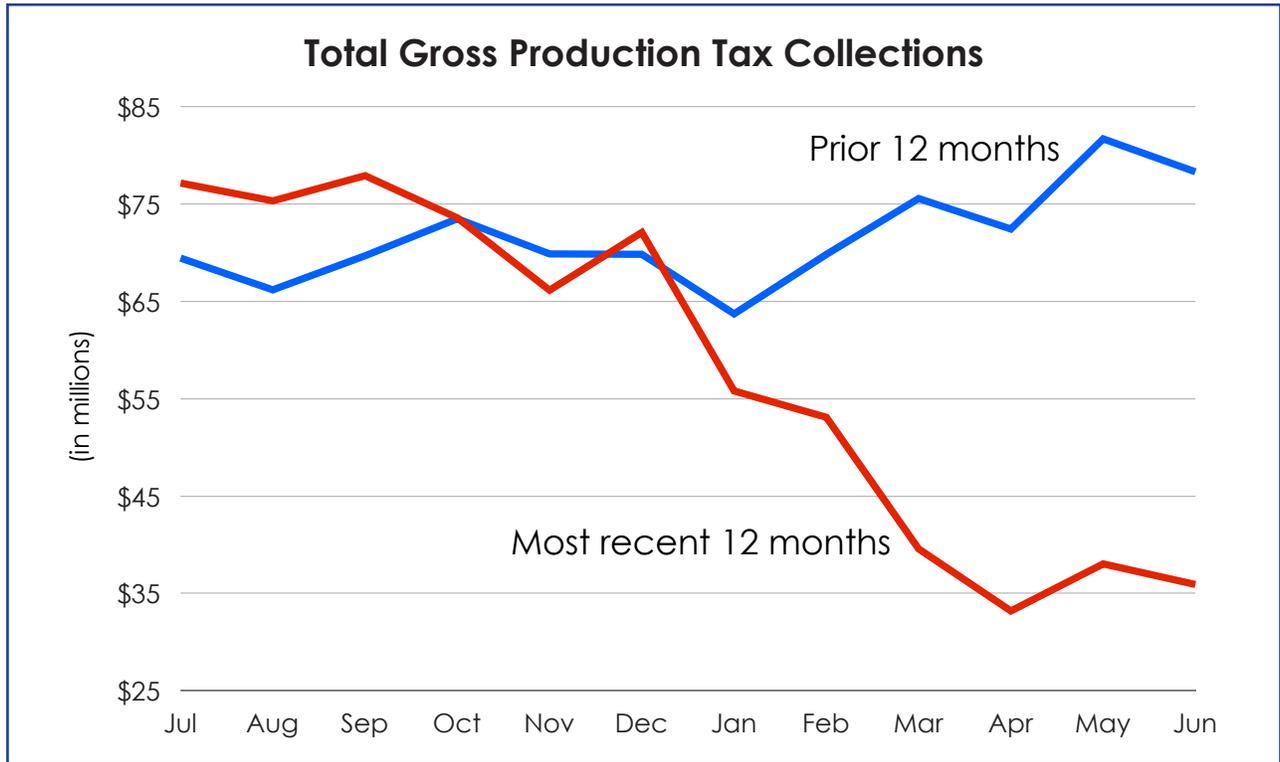
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Gross Receipts to Treasury



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