



**SCOTT MEACHAM
OKLAHOMA STATE TREASURER**

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March Revenue Tops Prior Year Collections and Estimate

OKLAHOMA CITY – State revenue collections in March topped prior year collections for the first time since December 2008 and exceeded the official estimate for a second consecutive month, State Treasurer Scott Meacham announced today.

Preliminary reports show General Revenue Fund collections in March are \$401.3 million. That amount is:

- \$6.4 million or 1.6 percent above the prior year; and,
- \$81.4 million or 25.5 percent above the estimate.

Meacham said March collections were sufficient to fund allocations to state agencies for the month at the previously announced 10-percent reduction from appropriated levels. After allocations are made, \$80.1 million in excess collections will remain for use in later months this fiscal year.

Economic Picture Improving

Gross production taxes on oil and gas continued to drive improvements in the revenue picture, Meacham said. This month, however, an upswing in personal income tax collections also improved the picture substantially.

“Personal income tax collections topped the estimate by \$86.5 million this month,” Meacham said. “A portion of that additional money is due to a recent law change on timing of payment of withholding taxes by state businesses, but the majority of the additional income tax revenues would seem to indicate improvement in the jobs market.”

Starting in March, state businesses were required to begin remitting state withholding taxes on the same schedule they follow for federal tax payments. According to the Oklahoma Tax Commission, that resulted in a one-time impact of slightly more than \$20 million to the state’s General Revenue Fund.

Meacham said he is keeping a close eye on sales tax collections. “Sales taxes continue to lag behind the estimate and prior year, but we are hoping to see improvements as public confidence increases.”

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March Collections

In March, net income taxes, a combination of personal and corporate income taxes, produced \$133.4 million, which is \$13.4 million or 9.1 percent below the prior year but \$51.4 million or 62.6 percent above the estimate.

Personal income tax collections for the month are \$110.3 million. That is \$13.8 million or 14.3 percent above the prior year and \$86.5 million or 362.7 percent above the estimate. Corporate income tax collections in March are \$23.1 million. That is \$27.2 million or 54 percent below the prior year and \$35.1 million or 60.3 percent below the estimate.

The state sales tax produced \$116.1 million for the month, which is \$8.8 million or 7.1 percent below the prior year and \$17 million or 12.8 percent below the estimate.

The gross production tax on oil and natural gas yielded \$69.4 million for the month, which is \$22.8 million or 48.9 percent above the prior year and \$44.7 million or 181.5 percent above the estimate.

Motor vehicle taxes produced \$16.8 million in March, which is \$5.8 million or 52.1 percent above the prior year and \$7.9 million or 89.1 percent above the estimate.

For March, investments by the State Treasurer's Office yielded \$9.8 million. That is \$3.7 million below the same month of the prior year.

Other revenue, including investment earnings along with taxes on insurance, alcoholic beverages and others produced \$65.5 million for the month. This is \$0.1 million or 0.1 percent above the prior year but \$5.6 million or 7.9 percent below the estimate.

Year-to-Date Collections

Preliminary reports show General Revenue Fund collections for the first nine months of the fiscal year total \$3.231 billion. That amount is:

- \$975.5 million or 23.2 percent below the prior year; and,
- \$781.4 million or 19.5 percent below the estimate.

Net income tax collections for the three-quarters of the fiscal year total \$1.294 billion, which is \$347 million or 21.2 percent below the prior year and \$329.5 million or 20.3 percent below the estimate.

Personal income tax collections for the period are \$1.191 billion. That is \$244.6 million or 17 percent below the prior year and \$195 million or 14.1 percent below the estimate. Corporate income tax collections total \$102.4 million for the period. That is \$102.4 million or 50 percent below the prior year and \$134.5 million or 56.8 percent below the estimate.

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The state sales tax has produced a total of \$1.116 billion during the fiscal year, which is \$153.3 million or 12.1 percent below the prior year and \$236.1 million or 17.5 percent below the estimate.

Gross production taxes on oil and natural gas total \$282.9 million for the first nine months of the fiscal year. That is \$362.9 million or 56.2 percent below the prior year and \$108.7 million or 27.7 percent below the estimate.

Motor vehicle tax collections for the first three-quarters of the fiscal year are \$100.7 million, which is \$31.6 million or 23.9 percent below the prior year and \$5.7 million or 5.3 percent below the estimate.

Earnings on the treasurer's investment portfolio for the fiscal year-to-date total \$88.3 million. That is \$33.6 million below the prior year.

Other revenue sources produced \$438.1 million during the nine months. That is \$80.7 million or 15.6 percent below the prior year and \$101.5 million or 18.8 percent below the estimate.

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For more information contact:

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General Revenue Comparisons With Prior Year

CHART I

PRELIMINARY

MONTHLY COMPARISON

SUMMARY March 2010

(In \$ millions)	FY-09 Actual	FY-10 Actual	Variance From Prior Year	
	March 2009	March 2010	\$	%
Net Income Tax	\$146.8	\$133.4	-\$13.4	-9.1%
Gross Production	46.6	69.4	22.8	48.9%
Sales Tax	125.0	116.1	-8.8	-7.1%
Motor Vehicle	11.1	16.8	5.8	52.1%
Subtotal: Major Taxes	\$329.5	\$335.8	\$6.3	1.9%
Other Sources (1)	65.4	65.5	0.1	0.1%
TOTAL GEN REVENUE	\$394.9	\$401.3	\$6.4	1.6%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	\$394.9	\$401.3	\$6.4	1.6%

PRELIMINARY

9 MONTH YEAR TO DATE

SUMMARY March 2010

(In \$ millions)	FY-09 Actual	FY-10 Actual	Variance From Prior Year	
	Thru March 2009	Thru March 2010	\$	%
Net Income Tax	\$1,640.7	\$1,293.7	-\$347.0	-21.2%
Gross Production	645.8	282.9	-362.9	-56.2%
Sales Tax	1,269.2	1,115.9	-153.3	-12.1%
Motor Vehicle	132.3	100.7	-31.6	-23.9%
Subtotal: Major Taxes	\$3,688.0	\$2,793.2	-\$894.8	-24.3%
Other Sources (1)	518.8	438.1	-80.7	-15.6%
TOTAL GEN REVENUE	\$4,206.7	\$3,231.2	-\$975.5	-23.2%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	\$4,206.7	\$3,231.2	-\$975.5	-23.2%

(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

(In \$ millions)	MONTHLY COMPARISON		SUMMARY March 2010	
	FY-10 Estimate March 2010	FY-10 Actual March 2010	Variance From Estimate \$	%
Net Income Tax	\$82.1	\$133.4	\$51.4	62.6%
Gross Production	24.6	69.4	44.7	181.5%
Sales Tax	133.1	116.1	-17.0	-12.8%
Motor Vehicle	8.9	16.8	7.9	89.1%
Subtotal: Major Taxes	\$248.7	\$335.8	\$87.0	35.0%
Other Sources (1)	71.1	65.5	-5.6	-7.9%
TOTAL GEN REVENUE	\$319.8	\$401.3	\$81.4	25.5%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	\$319.8	\$401.3	\$81.4	25.5%

PRELIMINARY

(In \$ millions)	9 MONTH YEAR TO DATE		SUMMARY March 2010	
	FY-10 Estimate Thru March 2010	FY-10 Actual Thru March 2010	Variance From Estimate \$	%
Net Income Tax	\$1,623.2	\$1,293.7	-\$329.5	-20.3%
Gross Production	391.6	282.9	-108.7	-27.7%
Sales Tax	1,351.9	1,115.9	-236.1	-17.5%
Motor Vehicle	106.4	100.7	-5.7	-5.3%
Subtotal: Major Taxes	\$3,473.1	\$2,793.2	-\$679.9	-19.6%
Other Sources (1)	539.6	438.1	-101.5	-18.8%
TOTAL GEN REVENUE	\$4,012.7	\$3,231.2	-\$781.4	-19.5%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	\$4,012.7	\$3,231.2	-\$781.4	-19.5%

(1) Other sources revenue estimated pending final accounting.

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

Details may not sum due to rounding.

Office of the State Treasurer