



**SCOTT MEACHAM  
OKLAHOMA STATE TREASURER**

**For Immediate Release: April 14, 2009**

## **Year-to-Date Revenue Collections Fall Below Estimate for First Time in Almost Six Years**

**OKLAHOMA CITY** – Led by lower collections in all major tax categories in March, year-to-date revenue collections have fallen below the estimate for the first time in almost six years, State Treasurer Scott Meacham announced today.

Preliminary reports show General Revenue Fund collections through the third quarter of Fiscal Year 2009 totaled \$4.207 billion. That amount is:

- \$33.4 million or 0.8 percent above the prior year; but
- \$34.5 million or 0.8 percent below the estimate.

The last time year-to-date revenue collections failed to meet estimates was in June 2003, the end of Fiscal Year 2003.

“Current projections have anticipated this dip below the official estimate,” Meacham said. “This drop is in line with the Tax Commission’s revised February projections and we remain hopeful we will finish the fiscal year in June without needing to make any cuts.”

Last month, Meacham said March collections would give a clearer picture of what lies ahead for the remainder of the fiscal year. “Today’s numbers indicate that unless the revenue reduction accelerates more than the Tax Commission predicted over the next three months, we should be able to end the fiscal year without having to make cuts,” he said.

Meacham said projections made by the Tax Commission in February showed the state would finish the fiscal year collecting some 96 percent of the original estimate. “Year-to-date collections are generally in line with the February projections,” he said. “We expect collections for the next three months to also fall below original estimates, but they are not forecasted to fall enough to require cuts between now and the end of June.”

The state constitution requires the legislature appropriate only 95 percent of the certified estimate. This year, that leaves a cushion of approximately \$297 million. Currently, some \$262 million of that cushion remains.

**(more)**

Meacham issued a reminder that this report is not related to budget cuts that the legislature will have to make for the next fiscal year.

“The next state budget year that begins July 1 of this year will definitely require cuts,” he said. “While federal stimulus money will help offset some of those reductions, we will most certainly have to cut spending. We anticipate making targeted reductions in funding for the coming year. If we were to experience a revenue shortfall in the current year, we would be required to make across-the-board cuts.”

Net income tax collections produced \$1.641 billion through March, which is \$57.6 million or 3.4 percent below the prior year and \$24.6 million or 1.5 percent below the estimate. Net income tax collections include personal income taxes and corporate income taxes less refunds paid for the month.

Year-to-date personal income tax payments totaled \$1.436 billion. That is \$79.5 million or 5.2 percent below the prior year and \$45.3 million or 3.1 percent below the estimate.

Corporate income tax collections are \$204.7 million year-to-date. That is \$21.9 million or 12 percent more than the prior year and \$20.8 million or 11.3 percent above the estimate.

The state sales tax produced \$1.269 billion for the first nine-months of the fiscal year, which is \$52 million or 4.3 percent above the prior year but \$5.4 million or 0.4 percent below the estimate.

The gross production tax on oil and natural gas yielded \$645.8 million through March, which was \$121.2 million or 23.1 percent above the prior year and \$105.4 million or 19.5 percent above the estimate.

Motor vehicle taxes produced \$132.3 million, which is \$53.3 million or 28.7 percent below the prior year-to-date and \$49 million or 27 percent below the estimate.

Investment of state funds produced \$121.9 million for the year-to-date. That is \$6.4 million or 5.0 percent less than the previous year.

Other revenue, which includes investment earnings along with taxes on insurance, inheritance, alcoholic beverages and others, produced \$518.7 million for the first three quarters of the fiscal year. This is \$29 million or 5.3 percent below the prior year and \$61 million or 10.5 percent below the estimate.

For the month of March, General Revenue Fund collections fell below the prior year and the estimate, Meacham reported.

Preliminary reports show General Revenue Fund collections in March totaled \$394.9 million. That amount is:

- \$93 million or 19.1 percent below the prior year; and
- \$81.8 million or 17.2 percent below the estimate.

**(more)**

Net income tax collections, a combination of personal and corporate taxes, totaled \$146.8 million for the month. That is \$29.1 million or 16.6 percent below the prior year and \$25.2 million or 14.7 percent below the estimate.

Personal income tax collections for March totaled \$96.5 million. That is \$27.8 million or 22.4 percent below the prior year and \$23.4 million or 19.5 percent below the estimate for the month.

Corporate collections for the month totaled \$50.3 million. That is \$1.3 million or 2.5 percent below the prior year and \$1.8 million or 3.5 percent below the estimate.

Sales tax collections for March totaled \$125 million. That is \$4.4 million or 3.4 percent below the prior year and \$11.3 million or 8.3 percent below the estimate.

Gross production taxes totaled \$46.6 million for the month, which is \$32 million or 40.7 percent below the prior year and \$29.3 million or 38.6 percent below the estimate.

Motor vehicle tax in March totaled \$11.1 million, which is \$3.8 million or 25.4 percent below the prior year and \$6.8 million or 38 percent below the estimate.

Investment of state funds by Treasurer Meacham produced \$13.5 million for the month. That is \$0.4 million or 3.4 percent more than the previous year.

Other revenue sources in March produced \$65.4 million for the month. That is \$23.8 million or 26.7 percent below the prior year and \$9.2 million or 12.3 percent below the estimate.

###

**For more information contact:**

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

# General Revenue Comparisons With Prior Year

## CHART I

PRELIMINARY

(In \$ millions)	<b>MONTHLY COMPARISON</b>		<b>SUMMARY March 2009</b>	
	FY-08 Actual March 2008	FY-09 Actual March 2009	Variance From Prior Year	
			\$	%
Net Income Tax	176.0	146.8	-29.1	-16.6%
Gross Production	78.6	46.6	-32.0	-40.7%
Sales Tax	129.3	125.0	-4.4	-3.4%
Motor Vehicle	14.8	11.1	-3.8	-25.4%
<b>Subtotal: Major Taxes</b>	<b>398.7</b>	<b>329.5</b>	<b>-69.3</b>	<b>-17.4%</b>
Other Sources (1)	89.2	65.4	-23.8	-26.7%
<b>TOTAL GEN REVENUE</b>	<b>487.9</b>	<b>394.9</b>	<b>-93.0</b>	<b>-19.1%</b>
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	487.9	394.9	-93.0	-19.1%

PRELIMINARY

(In \$ millions)	<b>9 MONTH YEAR TO DATE</b>		<b>SUMMARY March 2009</b>	
	FY-08 Actual Thru March 2008	FY-09 Actual Thru March 2009	Variance From Prior Year	
			\$	%
Net Income Tax	1,698.3	1,640.7	-57.6	-3.4%
Gross Production	524.5	645.8	121.2	23.1%
Sales Tax	1,217.2	1,269.2	52.0	4.3%
Motor Vehicle	185.5	132.3	-53.3	-28.7%
<b>Subtotal: Major Taxes</b>	<b>3,625.5</b>	<b>3,688.0</b>	<b>62.4</b>	<b>1.7%</b>
Other Sources (1)	547.8	518.7	-29.0	-5.3%
<b>TOTAL GEN REVENUE</b>	<b>4,173.3</b>	<b>4,206.7</b>	<b>33.4</b>	<b>0.8%</b>
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	4,173.3	4,206.7	33.4	0.8%

(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)	<b>MONTHLY COMPARISON</b>		<b>SUMMARY March 2009</b>	
	<b>FY-09 Estimate</b>	<b>FY-09 Actual</b>	<b>Variance From Estimate</b>	
	<b>March 2009</b>	<b>March 2009</b>	\$	%
Net Income Tax	172.1	146.8	-25.2	-14.7%
Gross Production	75.9	46.6	-29.3	-38.6%
Sales Tax	136.2	125.0	-11.3	-8.3%
Motor Vehicle	17.8	11.1	-6.8	-38.0%
<b>Subtotal: Major Taxes</b>	<b>402.1</b>	<b>329.5</b>	<b>-72.6</b>	<b>-18.1%</b>
Other Sources (1)	74.6	65.4	-9.2	-12.3%
<b>TOTAL GEN REVENUE</b>	<b>476.6</b>	<b>394.9</b>	<b>-81.8</b>	<b>-17.2%</b>
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	476.6	394.9	-81.8	-17.2%

PRELIMINARY

(In \$ millions)	<b>9 MONTH YEAR TO DATE</b>		<b>SUMMARY March 2009</b>	
	<b>FY-09 Estimate</b>	<b>FY-09 Actual</b>	<b>Variance From Estimate</b>	
	<b>Thru March 2009</b>	<b>Thru March 2009</b>	\$	%
Net Income Tax	1,665.3	1,640.7	-24.6	-1.5%
Gross Production	540.4	645.8	105.4	19.5%
Sales Tax	1,274.6	1,269.2	-5.4	-0.4%
Motor Vehicle	181.2	132.3	-49.0	-27.0%
<b>Subtotal: Major Taxes</b>	<b>3,661.5</b>	<b>3,688.0</b>	<b>26.5</b>	<b>0.7%</b>
Other Sources (1)	579.7	518.7	-61.0	-10.5%
<b>TOTAL GEN REVENUE</b>	<b>4,241.2</b>	<b>4,206.7</b>	<b>-34.5</b>	<b>-0.8%</b>
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	4,241.2	4,206.7	-34.5	-0.8%

(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