



**OKLAHOMA STATE TREASURER
RANDY MCDANIEL**

For Immediate Release: April 4, 2019

Two Years in, Gross Receipts Continue to Grow

OKLAHOMA CITY – Since emerging from a downturn in March 2017, Gross Receipts to the Treasury have increased consistently each month, reflecting the strength of the Oklahoma economy, State Treasurer Randy McDaniel announced today.

March receipts of \$1.1 billion are 10.3 percent higher than collections from the same month of last year. Receipts from the past 12 months, at \$13.3 billion, are up by 12.5 percent over the prior period.

“During two years of consecutive monthly growth in Gross Receipts to the Treasury, Oklahoma’s economy has clearly shown its resiliency,” McDaniel said. “The state has weathered ups and downs in energy prices, along with other challenges, yet continues to expand.”

During March, three of the four major revenue streams showed increases over the same month of last year. Income, sales, and gross production taxes showed growth, while motor vehicle taxes were down. Tax commission officials said the reduction in motor vehicle receipts were likely due to timing issues and not indicative of an economic cause.

March gross production taxes generated \$96.2 million, up by 32.2 percent from the prior year. Those payments were assessed on the production of crude oil and natural gas in January, when West Texas Intermediate Crude Oil at Cushing sold for \$51.38 per barrel. It marks the lowest gross production total since the incentive tax rate increase became effective with September 2018 receipts.

Total gross collections during the past 12 months reflect growth in every major revenue stream, ranging from 76.2 percent in gross production receipts to 2.3 percent in motor vehicle taxes.

New Tax Revenue

Revenue generated by increased tax rates approved in House Bill 1010 during special session last year added \$54.2 million to monthly collections, 5 percent of all March gross receipts.

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The largest amount, \$30.1 million, came from the increase in the incentive tax rate on oil and natural gas gross production. Higher tax rates on gasoline and diesel fuel generated \$11 million, and the \$1 per pack hike in cigarette taxes added \$13 million to the March total.

Other indicators

The Oklahoma Business Conditions Index dropped in March, but continued to reflect anticipated growth for a 20th consecutive month. The March index was set at 53.9, down from 58.1 in February. Numbers above 50 indicate anticipated economic growth during the next three to six months.

Oklahoma's seasonally adjusted unemployment rate of 3.3 percent was up by one-tenth of a percentage point in February, while the U.S. jobless rate of 3.8 percent marked a two-tenths of a percentage point decrease from the prior month, according to the Oklahoma Employment Security Commission.

March collections

March gross collections total \$1.1 billion, up \$101.2 million, or 10.3 percent, from March 2018.

Gross income tax collections, a combination of individual and corporate income taxes, generated \$354.8 million, an increase of \$31.3 million, or 9.7 percent, from the previous March.

Individual income tax collections for the month are \$327.5 million, up by \$27.6 million, or 9.5 percent, from the prior year. Corporate collections are \$27.3 million, an increase of \$3.7 million, or 15.7 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$383 million in March. That is \$14.1 million, or 3.8 percent, more than March 2018.

Gross production taxes on oil and natural gas generated \$96.2 million in March, an increase of \$23.5 million, or 32.2 percent, from last March. Compared to February 2019 reports, gross production collections are down by \$9.4 million, or 8.9 percent.

Motor vehicle taxes produced \$67.3 million, down by \$7 million, or 9.4 percent, from the same month of 2018.

Other collections, consisting of about 60 different sources including use taxes, along with taxes on fuel, tobacco, and alcoholic beverages, produced \$182.6 million during the month. That is \$39.2 million, or 27.4 percent, more than last March.

Twelve-month collections

Gross revenue totals \$13.3 billion from the past 12 months. That is \$1.5 billion, or 12.5 percent, more than collections from the previous 12 months.

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Gross income taxes generated \$4.5 billion for the period, reflecting an increase of \$335.2 million, or 8.1 percent, from the prior 12 months.

Individual income tax collections total \$3.9 billion, up by \$236.4 million, or 6.4 percent, from the prior 12 months. Corporate collections are \$514.1 million for the period, an increase of \$98.8 million, or 23.8 percent, over the previous period.

Sales taxes for the 12 months generated \$4.9 billion, an increase of \$322.7million, or 7.1 percent, from the prior period.

Oil and gas gross production tax collections brought in \$1.1 billion during the 12 months, up by \$471.4 million, or 76.2 percent, from the previous period.

Motor vehicle collections total \$782.7 million for the period. This is an increase of \$17.3 million, or 2.3 percent, from the trailing period.

Other sources generated \$2.1 billion, up by \$330.6 million, or 19.1 percent, from the previous year.

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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Gross Receipts to Treasury

PRELIMINARY

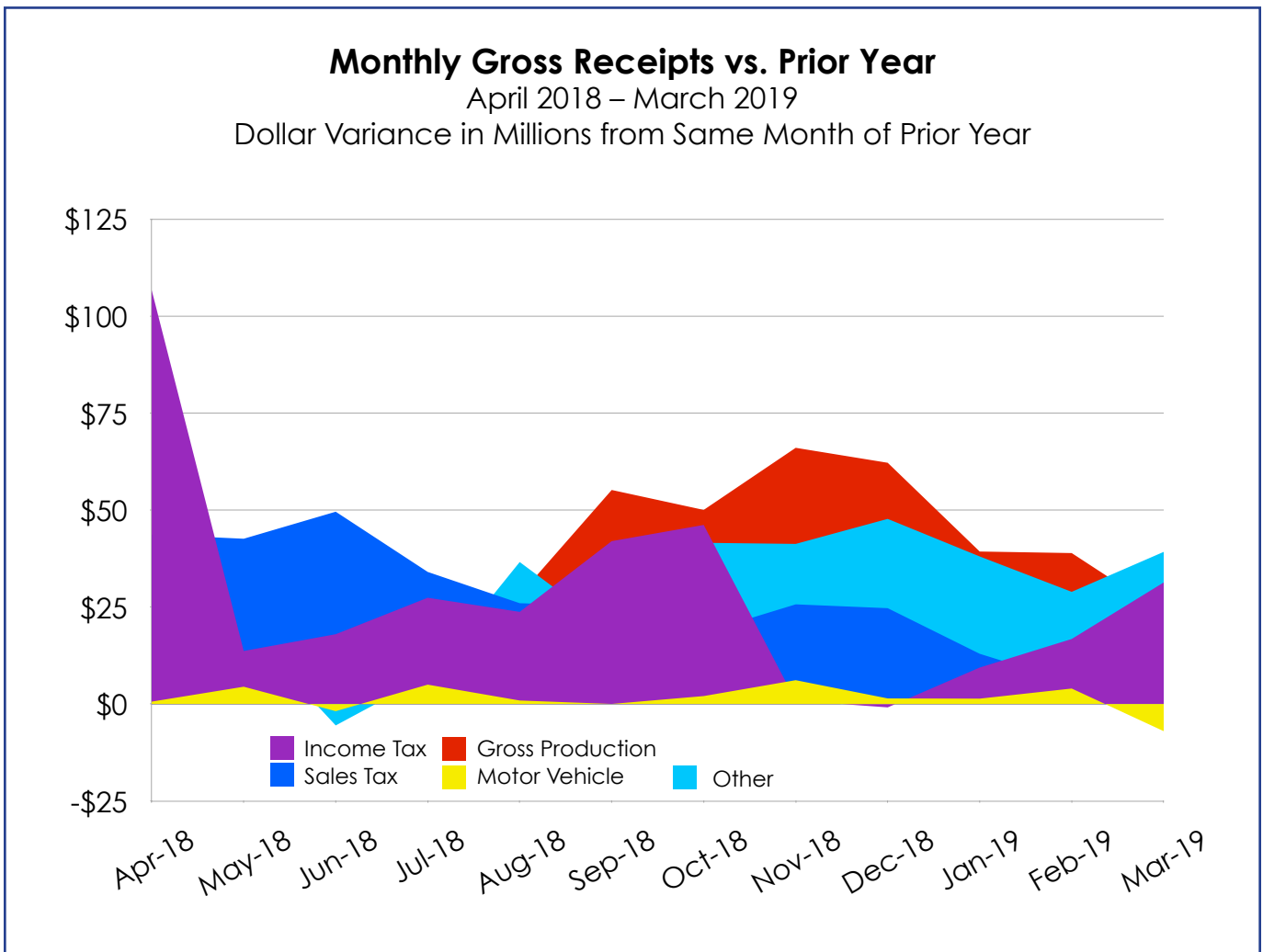
MONTHLY COMPARISON

(In \$ millions)	March-18	March-19	Variance From Prior Year	
			\$	%
Income Tax	323.5	354.8	31.3	9.7%
Gross Production	72.8	96.2	23.5	32.2%
Sales Tax (1)	368.9	383.0	14.1	3.8%
Motor Vehicle	74.3	67.3	(7.0)	-9.4%
Other Sources (2)	143.4	182.6	39.2	27.4%
TOTAL REVENUE	982.9	1,084.0	101.2	10.3%

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



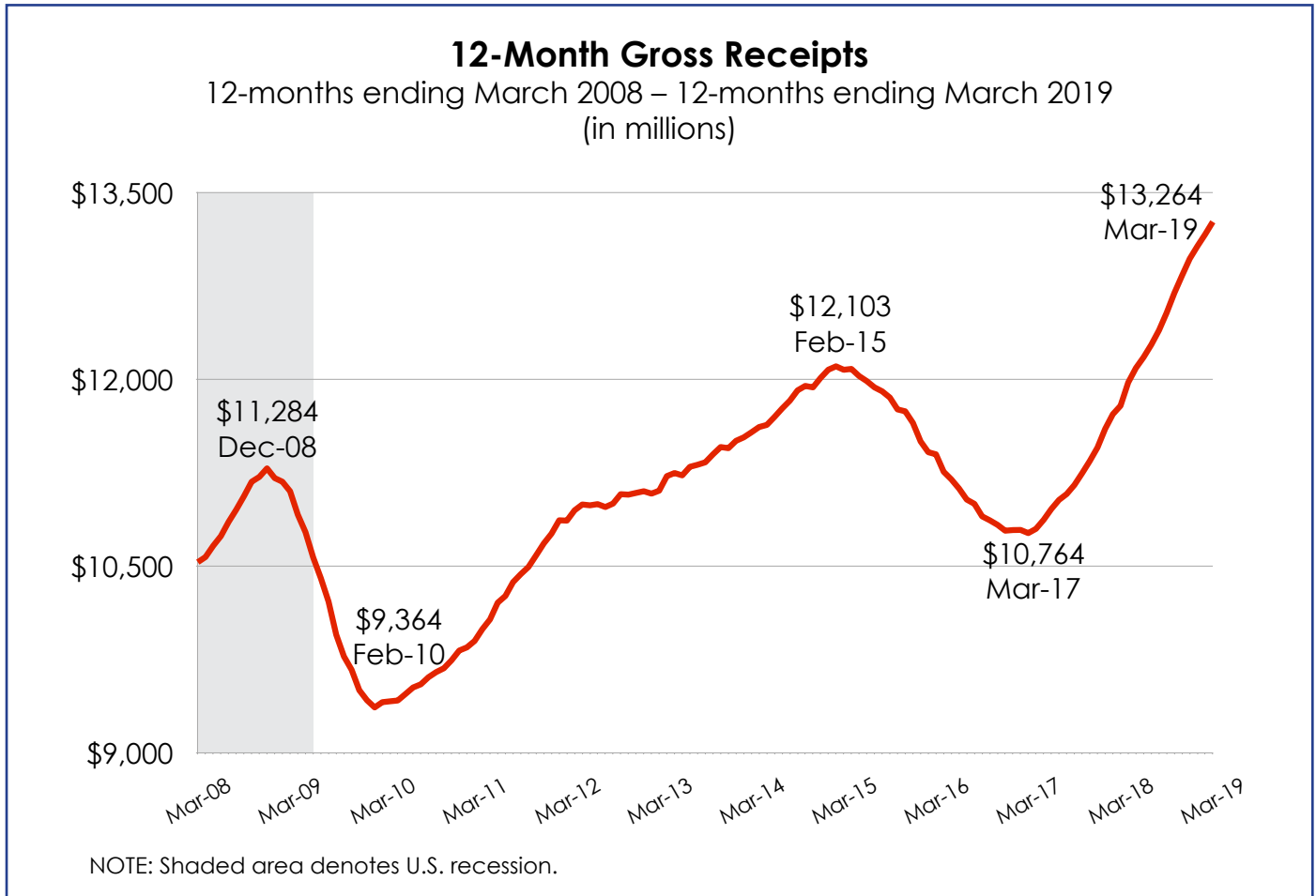
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending Apr 18 - Mar 19		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	Apr 17 - Mar 18	Apr 18 - Mar 19	\$	%
Income Tax	4,121.5	4,456.7	335.2	8.1%
Gross Production	618.7	1,090.1	471.4	76.2%
Sales Tax (1)	4,548.9	4,871.6	322.7	7.1%
Motor Vehicle	765.4	782.7	17.3	2.3%
Other Sources (2)	1,732.1	2,062.7	330.6	19.1%
TOTAL REVENUE	11,786.6	13,263.9	1,477.3	12.5%

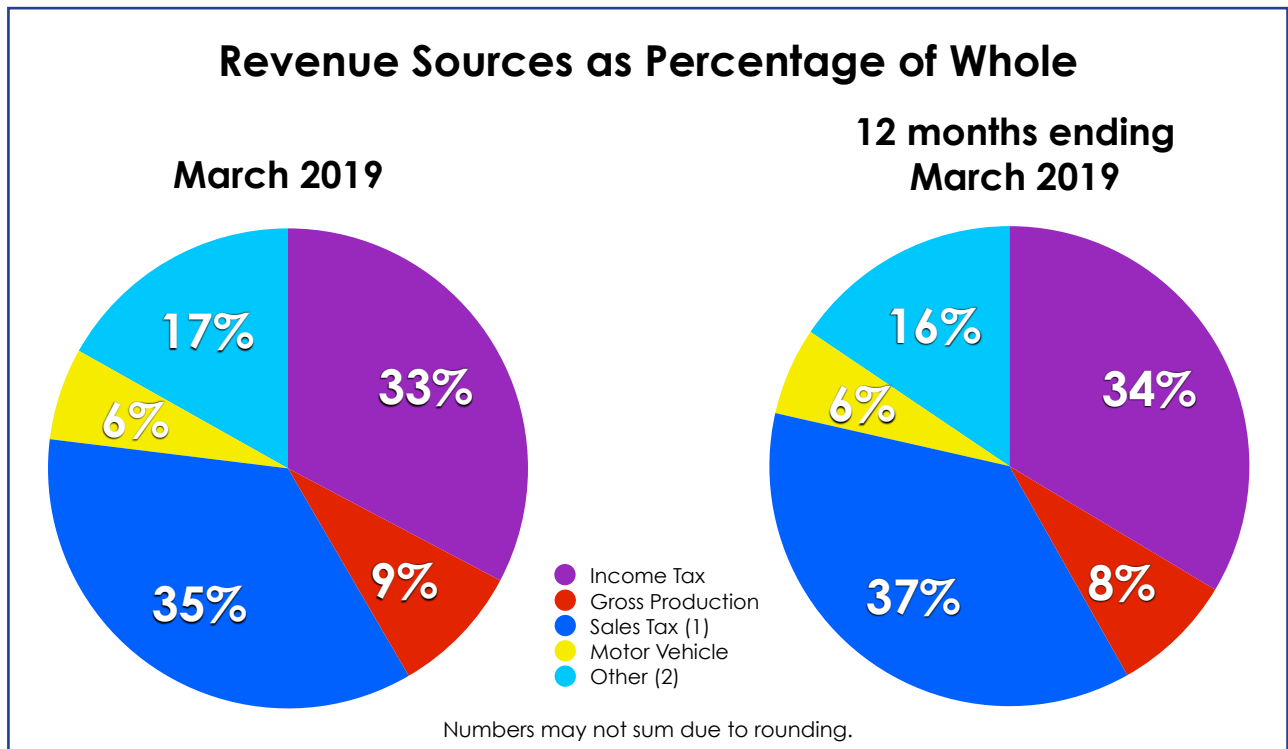
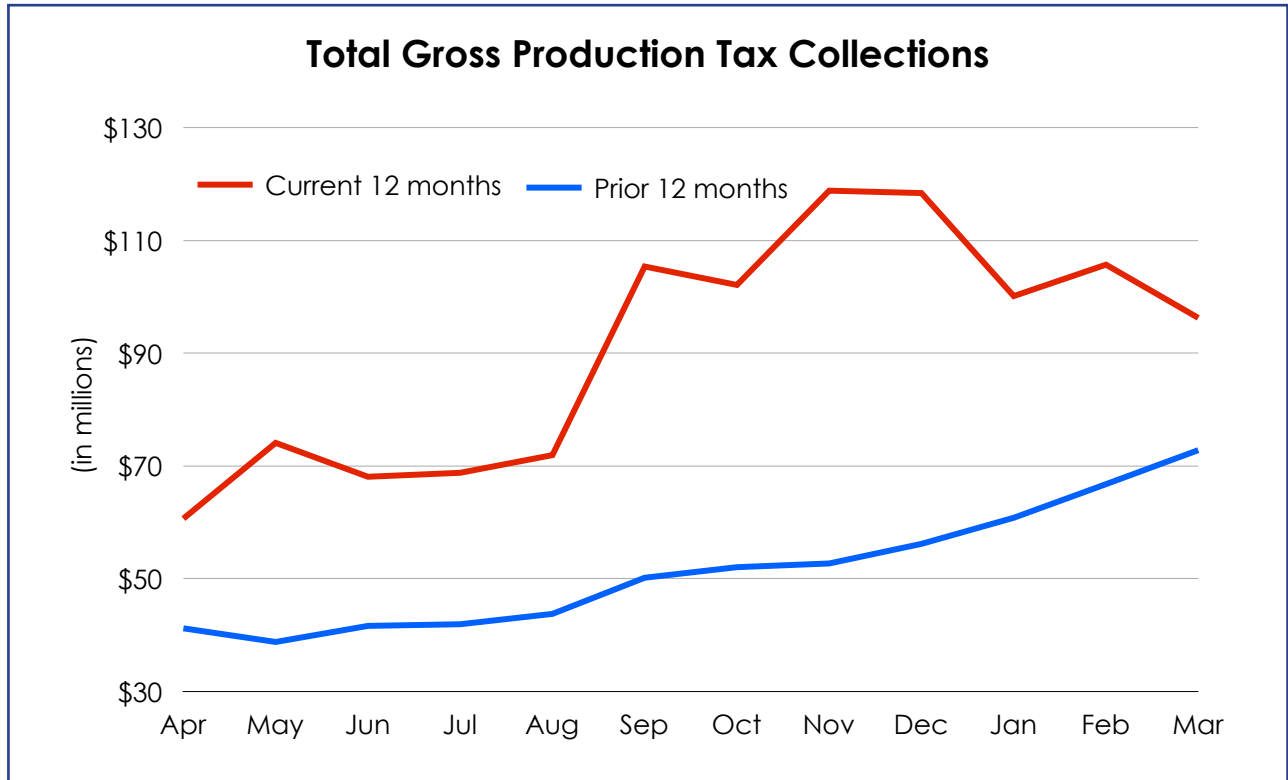
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Gross Receipts to Treasury



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