Gross Receipts to the Treasury Continue Fall in November

OKLAHOMA CITY – Monthly Gross Receipts to the Treasury are lower than the same month of the prior year for a seventh consecutive month as low oil prices and reduced consumer spending shrank the bottom line in November, State Treasurer Ken Miller announced today.

Twelve-month Gross Receipts to the Treasury also contracted, as total collections continued an eight-month downward trend and are the lowest since June 2014.

“We are seeing the ongoing impact of the slowdown in the energy industry as the effect is felt across the state’s economy,” Miller said. “The downward trajectory of revenue collections moderated slightly this month, but the overall trend continues.”

Total Gross Receipts to the Treasury for November are $830.8 million, down by more than $15 million, or almost 2 percent, from November 2014.

For an 11th consecutive month, collections from oil and natural gas production taxes are lower than the same month of the prior year. November gross production collections are more than 54 percent lower than last November. Monthly receipts are based on oil field activity from September when the average price of benchmark West Texas Intermediate crude oil was $45.48 per barrel.

Sales tax collections, often viewed as an indicator of consumer confidence, have been lower than the same month of the prior year for seven of the past nine months. In November, sales tax collections fell below the prior year by almost 5 percent. The only revenue stream in positive territory for the month is gross income tax, up by more than $40 million, or almost 18 percent, due primarily to the tax commission’s PAYRight tax amnesty program.

Collections for the past 12 months total $11.74 billion, down by 192.3 million, or 1.6 percent from the trailing 12 months.

For the first time since at least March 2011, when the treasurer’s office began tracking gross receipts, sales tax collections are less than during the previous 12-month period, down by about $39 million, or just less than 1 percent. Twelve-month gross production taxes are off by more than 42 percent. Only gross income taxes are higher than the previous 12 months, up by almost $227 million, or 5.4 percent.

(more)
Other indicators

Oklahoma’s seasonally-adjusted unemployment rate was set at 4.3 percent in October, down by one-tenth of one percentage point from September, according to the Oklahoma Employment Security Commission. Over the past year, the mining and logging supersector, which includes the energy sector, reported the loss of 11,600 jobs, while the manufacturing supersector showed a reduction of 8,900 jobs. The national unemployment rate was set at 5.0 percent in October.

The Business Conditions Index for Oklahoma in November remained below growth neutral for a seventh consecutive month and dipped to 37.5 from October’s 40.1. Numbers below 50 indicate economic contraction is expected during the next three to six month.

November collections

Receipts for November set gross collections at $830.81 million, down $15.25 million or 1.8 percent from November 2014.

Gross income tax collections, a combination of personal and corporate income taxes, generated $267.43 million, an increase of $40.31 million or 17.8 percent from the previous November.

Personal income tax collections for the month are $249.82 million, up by $30.91 or 14.1 percent from the prior year. Corporate collections are $17.62 million, up by $9.4 million or 114.5 percent.

Sales tax collections, including remittances on behalf of cities and counties, total $361.91 million in November. That is $18.59 million or 4.9 percent lower than November 2014.

Gross production taxes on oil and natural gas generated $30.15 million in November, a decrease of $36.01 million or 54.4 percent from last November. Compared to October reports, gross production collections are down by $2.06 million or 6.4 percent.

Motor vehicle taxes produced $53.39 million, up by $2.18 million or 4.3 percent from the same month of last year.

Other collections, consisting of about 60 different sources including taxes on fuel, tobacco, horse race gambling and alcoholic beverages, produced $117.92 million during the month. That is $3.15 million or 2.6 percent less than last November.

Twelve-month collections

Gross revenue totals $11.74 billion between December 2014 and November 2015. That is $192.28 million or 1.6 percent lower than collections from December 2013 to November 2014.

(more)
Gross income taxes generated $4.45 billion for the period, reflecting an increase of $226.93 million or 5.4 percent from the prior period.

Personal income tax collections total $3.81 billion, up by $122.21 million or 3.3 percent from the prior 12 months. Corporate collections are $635.75 million for the period, an increase of $104.73 million or 19.7 percent over the previous period.

Sales taxes for the period generated $4.4 billion, a decrease of $38.7 million or 0.9 percent from the prior 12 months.

Oil and gas gross production tax collections brought in $508.64 million during the 12 months, down by $372.93 million or 42.3 percent from the previous 12 months.

Motor vehicle collections total $767.11 million for the period. This is a drop of $780,000 or 0.1 percent from the trailing period.

Other sources generated $1.62 billion, down $6.8 million or 0.4 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 just less than 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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**For more information contact:**
Tim Allen, Deputy Treasurer for Communications & Program Administration
(405) 522-4212
# Gross Receipts to Treasury

## Preliminary

(In $ millions)

<table>
<thead>
<tr>
<th></th>
<th>November-14</th>
<th>November-15</th>
<th>Variance From Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Tax</td>
<td>227.12</td>
<td>267.43</td>
<td>40.31 17.8%</td>
</tr>
<tr>
<td>Gross Production</td>
<td>66.15</td>
<td>30.15</td>
<td>-36.01 -54.4%</td>
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<tr>
<td>Sales Tax (1)</td>
<td>380.50</td>
<td>361.91</td>
<td>-18.59 -4.9%</td>
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<tr>
<td>Motor Vehicle</td>
<td>51.21</td>
<td>53.39</td>
<td>2.18  4.3%</td>
</tr>
<tr>
<td>Other Sources (2)</td>
<td>121.08</td>
<td>117.92</td>
<td>-3.15 -2.6%</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>846.06</td>
<td>830.81</td>
<td>-15.25 -1.8%</td>
</tr>
</tbody>
</table>

(1) Includes Collections for Counties and Municipalities  
(2) Gross Collections from OTC  
Details may not sum due to rounding.

## Monthly Comparison

### Monthly Gross Receipts vs. Prior Year
December 2014 – November 2015  
Dollar Variance in Millions from Same Month of Prior Year

<table>
<thead>
<tr>
<th>Month</th>
<th>Income Tax</th>
<th>Gross Production</th>
<th>Sales Tax</th>
<th>Motor Vehicle</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-14</td>
<td>$40.31</td>
<td>$-36.01</td>
<td>$-18.59</td>
<td>$2.18</td>
<td>$-3.15</td>
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<tr>
<td>Jan-15</td>
<td>$35.00</td>
<td>$-31.50</td>
<td>$-16.50</td>
<td>$2.00</td>
<td>$-2.50</td>
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<tr>
<td>Feb-15</td>
<td>$30.00</td>
<td>$-27.00</td>
<td>$-14.00</td>
<td>$1.50</td>
<td>$-2.00</td>
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<tr>
<td>Mar-15</td>
<td>$25.00</td>
<td>$-22.50</td>
<td>$-11.50</td>
<td>$1.00</td>
<td>$-1.50</td>
</tr>
<tr>
<td>Apr-15</td>
<td>$20.00</td>
<td>$-18.00</td>
<td>$-9.00</td>
<td>$0.50</td>
<td>$-1.00</td>
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<tr>
<td>May-15</td>
<td>$15.00</td>
<td>$-13.50</td>
<td>$-6.50</td>
<td>$0.00</td>
<td>$-0.50</td>
</tr>
<tr>
<td>Jun-15</td>
<td>$10.00</td>
<td>$-9.00</td>
<td>$-4.00</td>
<td>$-0.50</td>
<td>$0.00</td>
</tr>
<tr>
<td>Jul-15</td>
<td>$5.00</td>
<td>$-4.50</td>
<td>$-1.50</td>
<td>$-1.00</td>
<td>$-1.00</td>
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<tr>
<td>Aug-15</td>
<td>$0.00</td>
<td>$-0.00</td>
<td>$0.00</td>
<td>$-1.50</td>
<td>$-1.00</td>
</tr>
<tr>
<td>Sep-15</td>
<td>$5.00</td>
<td>$4.50</td>
<td>$2.50</td>
<td>$0.50</td>
<td>$2.50</td>
</tr>
<tr>
<td>Oct-15</td>
<td>$10.00</td>
<td>$9.00</td>
<td>$4.00</td>
<td>$1.00</td>
<td>$4.00</td>
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<tr>
<td>Nov-15</td>
<td>$15.00</td>
<td>$13.50</td>
<td>$6.50</td>
<td>$1.50</td>
<td>$6.50</td>
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</tbody>
</table>

Office of the State Treasurer
## Gross Receipts to Treasury

### 12 Month Period Ending

**December 2014 - November 2015**

<table>
<thead>
<tr>
<th></th>
<th>Prior Year</th>
<th>Current Year</th>
<th>Variance From Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dec 2013 - Nov 2014</td>
<td>Dec 2014 - Nov 2015</td>
<td>$</td>
</tr>
<tr>
<td><strong>Income Tax</strong></td>
<td>4,221.39</td>
<td>4,448.32</td>
<td>226.93</td>
</tr>
<tr>
<td><strong>Gross Production</strong></td>
<td>881.57</td>
<td>508.64</td>
<td>-372.93</td>
</tr>
<tr>
<td><strong>Sales Tax (1)</strong></td>
<td>4,435.86</td>
<td>4,397.16</td>
<td>-38.70</td>
</tr>
<tr>
<td><strong>Motor Vehicle</strong></td>
<td>767.90</td>
<td>767.11</td>
<td>-0.78</td>
</tr>
<tr>
<td><strong>Other Sources (2)</strong></td>
<td>1,627.68</td>
<td>1,620.89</td>
<td>-6.80</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>11,934.39</td>
<td>11,742.11</td>
<td>-192.28</td>
</tr>
</tbody>
</table>

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(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.

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### 12-Month Gross Receipts

12-months ending November 2008 – 12-months ending November 2015

(in millions)

- **Nov-08**: $9,364
- **Dec-08**: $11,284
- **Feb-10**: $9,364
- **Feb-15**: $12,103
- **Nov-15**: $11,742

NOTE: Shaded area denotes U.S. recession.
Gross Receipts to Treasury

Total Gross Production Tax Collections

- Prior 12 months
- Most recent 12 months

Revenue Sources as Percentage of Whole

November 2015

- Income Tax: 14%
- Gross Production: 4%
- Sales Tax (1): 6%
- Motor Vehicle: 32%

12-Months ending November 2015

- Income Tax: 14%
- Gross Production: 4%
- Sales Tax (1): 7%
- Motor Vehicle: 38%
- Other (2): 37%

(1) Includes Collections for Counties and Municipalities
(2) Gross Collections from OTC

Office of the State Treasurer