



**OKLAHOMA STATE TREASURER  
RANDY MCDANIEL**

**For Immediate Release: November 5, 2019**

## **October Gross Receipts Show Slow Growth**

**OKLAHOMA CITY** – For a second consecutive month, October Gross Receipts to the Treasury are up by less than one percent compared to the prior year, suppressed by falling oil and gas production tax and sales tax collections, State Treasurer Randy McDaniel announced today.

Total monthly collections from all sources were \$1.14 billion in October, up by \$6.1 million, or 0.5 percent, from last year. October revenue reports saw collections from the gross production tax on crude oil and natural gas fall by almost 30 percent from the prior year, while sales tax receipts were down by about one percent.

“Gross receipts indicate Oklahoma’s economy is continuing to grow, albeit quite modestly, in spite of a pullback in two of the state’s major revenue streams,” McDaniel said. “Lower energy prices have pushed down gross production receipts. Additionally, for the fourth time in the past five months, sales tax collections are below those of the prior year.”

Monthly receipts for individual and corporate income, use, and motor vehicle taxes are all above those of October 2018 at rates ranging from 25 percent to 1.4 percent. Gross receipts for the past 12 months, at \$13.74 billion, are up by \$1.04 billion, or 8.2 percent.

### **Medical marijuana revenue**

In effect for the past year, Oklahoma’s medical marijuana tax of 7 percent, along with sales tax generated at licensed dispensaries, have added \$41.3 million to gross receipts in the past 12 months. Of that, \$18.1 million has come from the marijuana tax and \$23.1 million from sales tax remitted by dispensaries.

In October, marijuana sales generated \$6.8 million, including \$3 million from the medical marijuana tax and \$3.8 million in sales tax from dispensaries.

The figures indicate medical marijuana purchases have totaled \$259.1 million during the past year.

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## **Other indicators**

The Oklahoma Business Conditions Index for October fell below growth neutral for the second time in the past three months. October's rate of 48.7 is down from 50.1 in September, indicating slow to no economic growth in the next three to six months.

The seasonally adjusted jobless rate for Oklahoma was unchanged at 3.2 percent in September for a fifth consecutive month. The U.S. unemployment rate dropped to 3.5 percent in September, down from 3.7 percent the prior month, according to figures released by the Oklahoma Employment Security Commission.

## **October collections**

October gross collections total \$1.14 billion, up by \$6.1 million, or 0.5 percent, from October 2018.

Gross income tax collections, a combination of individual and corporate income taxes, generated \$395.7 million, an increase of \$26.3 million, or 7.1 percent, from the previous October.

Individual income tax collections for the month are \$373.9 million, up by \$21.9 million, or 6.2 percent, from the prior year. Corporate collections are \$21.8 million, an increase of \$4.4 million, or 25 percent. Large monthly variances are not unusual for corporate income tax collections.

Combined sales and use tax collections, including remittances on behalf of cities and counties, total \$459.3 million in October. That is \$3.2 million, or 0.7 percent, more than October 2018.

Sales tax collections in October total \$399 million, a drop of \$3.6 million, or 0.9 percent from the same month of the prior year. Use tax receipts, collected on out-of-state purchases including online sales, generated \$60.4 million, an increase of \$6.8 million, or 12.8 percent, over the year.

Gross production taxes on oil and natural gas generated \$71.6 million in October, a decrease of \$30.5 million, or 29.8 percent, from last October. Compared to September 2019 reports, gross production collections are down by \$2.2 million, or 3 percent.

Motor vehicle taxes produced \$66.9 million, up by \$912,072, or 1.4 percent, from the same month of 2018.

Other collections composed of some 60 different sources including taxes on fuel, tobacco, medical marijuana, and alcoholic beverages, produced \$151 million during the month. That is \$6.1 million, or 4.2 percent, more than last October.

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## **Twelve-month collections**

Gross revenue totals \$13.74 billion from the past 12 months, November 2018 through October 2019. That is \$1.04 billion, or 8.2 percent, above collections from the previous 12-month period.

Gross income taxes generated \$4.67 billion for the 12 months, reflecting an increase of \$275.2 million, or 6.3 percent, from the prior 12 months.

Individual income tax collections total \$4.15 billion, up by \$248.5 million, or 6.4 percent, from the prior period. Corporate collections are \$524.3 million for the period, an increase of \$26.7 million, or 5.4 percent, over the previous 12 months.

Combined sales and use taxes for the 12 months generated \$5.61 billion, an increase of \$264 million, or 4.9 percent, from the prior period.

Gross sales tax receipts total \$4.89 billion, up by \$103.8 million, or 2.2 percent, during the period. Use tax collections generated \$718.8 million, an increase of \$160.1 million, or 28.7 percent over the previous 12 months.

Oil and gas gross production tax collections brought in \$1.1 billion during the 12 months, up by \$246.9 million, or 28.7 percent, from the previous 12 months.

Motor vehicle collections total \$792.5 million for the 12 months. This is an increase of \$15.8 million, or 2 percent, from the trailing period.

Other sources generated \$1.55 billion, up by \$241.4 million, or 18.4 percent, from the previous period.

## **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 economy.

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

The General Revenue Fund, the state's main operating account, 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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### **For more information contact:**

Tim Allen, Deputy Treasurer for Communications & Program Administration, (405) 522-4212

# Gross Receipts to Treasury

PRELIMINARY

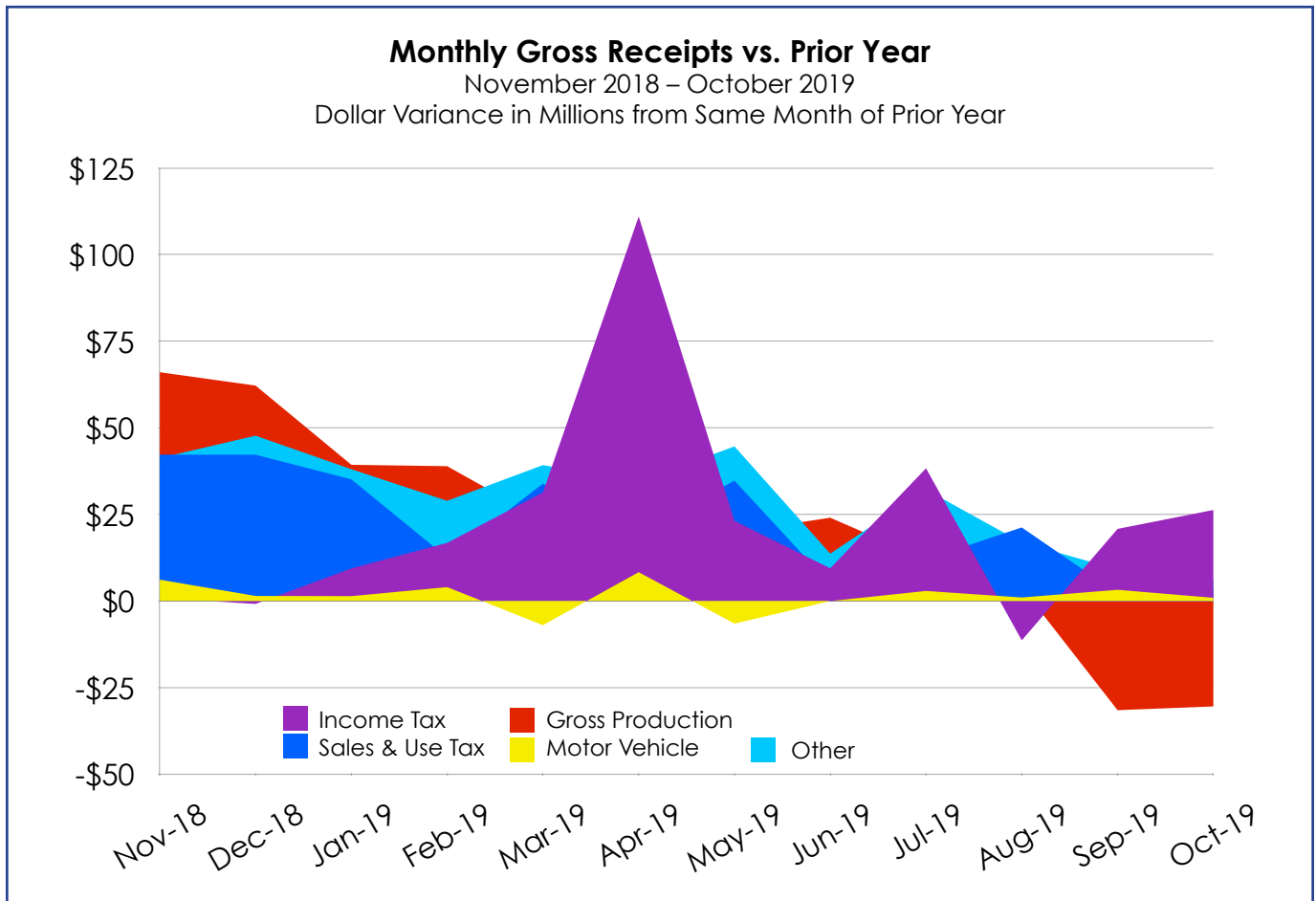
## MONTHLY COMPARISON

(In \$ millions)			Variance From Prior Year	
	October-18	October-19	\$	%
<b>Total Income Tax</b>	<b>369.5</b>	<b>395.7</b>	<b>26.3</b>	<b>7.1%</b>
<i>Individual</i>	352.0	373.9	21.9	6.2%
<i>Corporate</i>	17.5	21.8	4.4	25.0%
<b>Sales &amp; Use Tax (1)</b>	<b>456.1</b>	<b>459.3</b>	<b>3.2</b>	<b>0.7%</b>
<i>Sales Tax</i>	402.6	399.0	(3.6)	-0.9%
<i>Use Tax</i>	53.5	60.4	6.8	12.8%
<b>Gross Production</b>	<b>102.1</b>	<b>71.6</b>	<b>(30.5)</b>	<b>-29.8%</b>
<b>Motor Vehicle</b>	<b>66.0</b>	<b>66.9</b>	<b>0.9</b>	<b>1.4%</b>
<b>Other Sources (2)</b>	<b>144.9</b>	<b>151.0</b>	<b>6.1</b>	<b>4.2%</b>
<b>TOTAL REVENUE</b>	<b>1,138.5</b>	<b>1,144.6</b>	<b>6.1</b>	<b>0.5%</b>

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



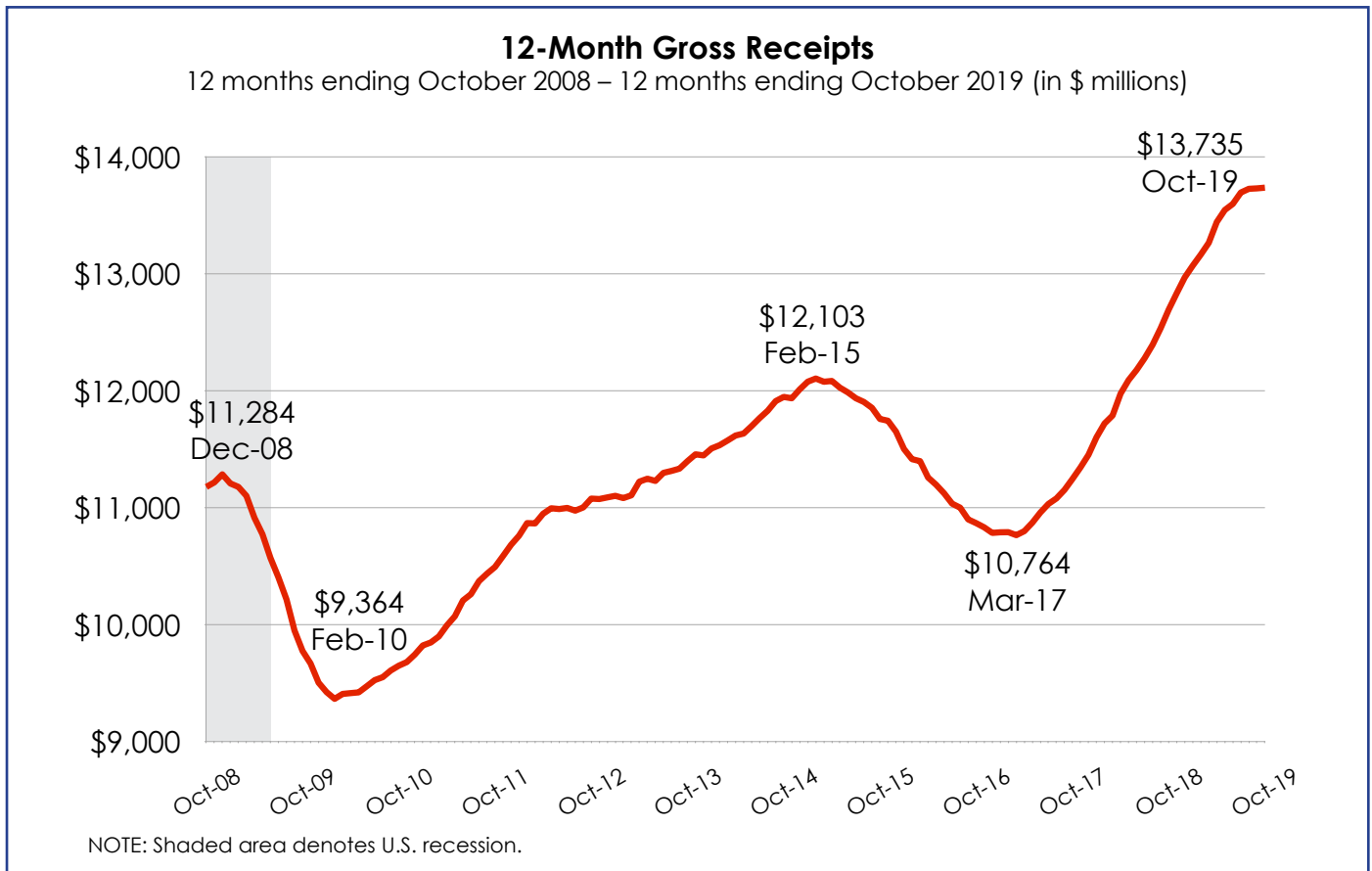
# Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending Nov 18 - Oct 19			
	Prior Year	Current Year	Variance From Prior Year	
	Nov 17 - Oct 18	Nov 18 - Oct 19	\$	%
<b>Total Income Tax</b>	<b>4,399.2</b>	<b>4,674.4</b>	<b>275.2</b>	<b>6.3%</b>
<i>Individual</i>	3,901.6	4,150.1	248.5	6.4%
<i>Corporate</i>	497.6	524.3	26.7	5.4%
<b>Sales and Use Tax (1)</b>	<b>5,347.2</b>	<b>5,611.2</b>	<b>264.0</b>	<b>4.9%</b>
<i>Sales Tax</i>	4,788.6	4,892.4	103.8	2.2%
<i>Use Tax</i>	558.7	718.8	160.1	28.7%
<b>Gross Production</b>	<b>860.2</b>	<b>1,107.1</b>	<b>246.9</b>	<b>28.7%</b>
<b>Motor Vehicle</b>	<b>776.7</b>	<b>792.5</b>	<b>15.8</b>	<b>2.0%</b>
<b>Other Sources (2)</b>	<b>1,308.8</b>	<b>1,550.2</b>	<b>241.4</b>	<b>18.4%</b>
<b>TOTAL REVENUE</b>	<b>12,692.1</b>	<b>13,735.4</b>	<b>1,043.3</b>	<b>8.2%</b>

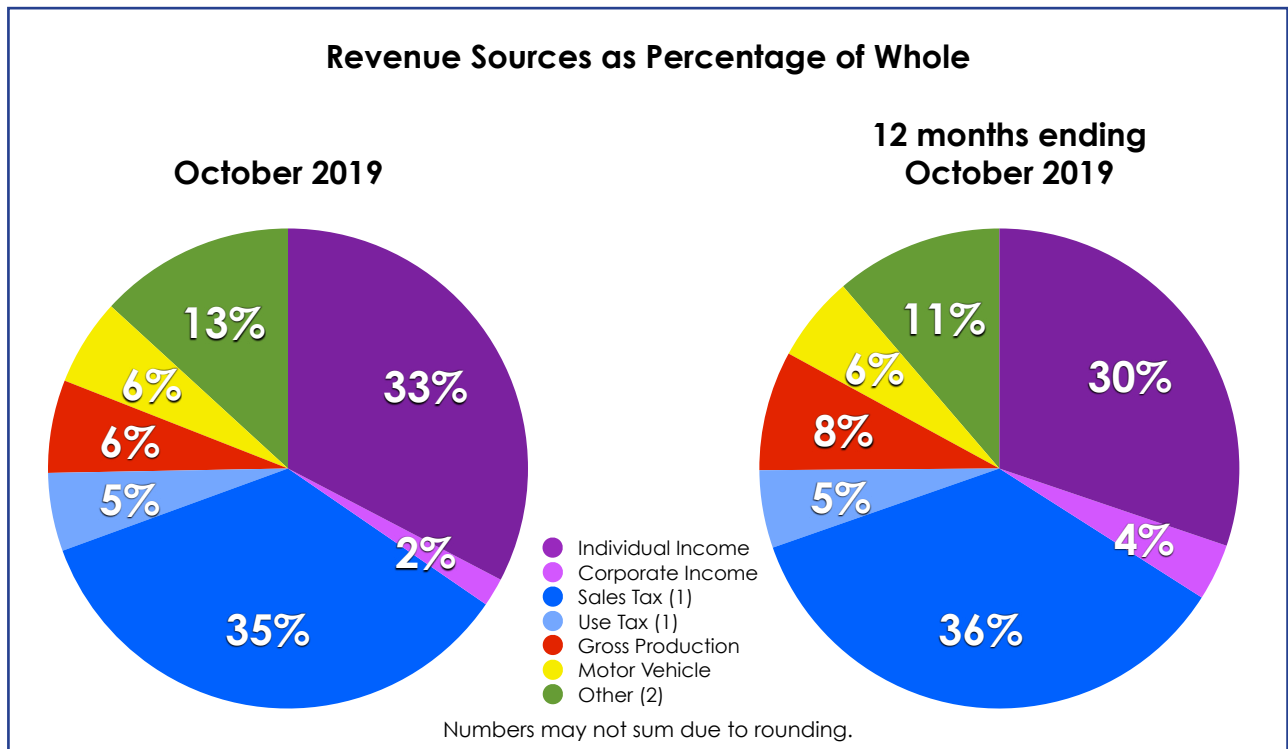
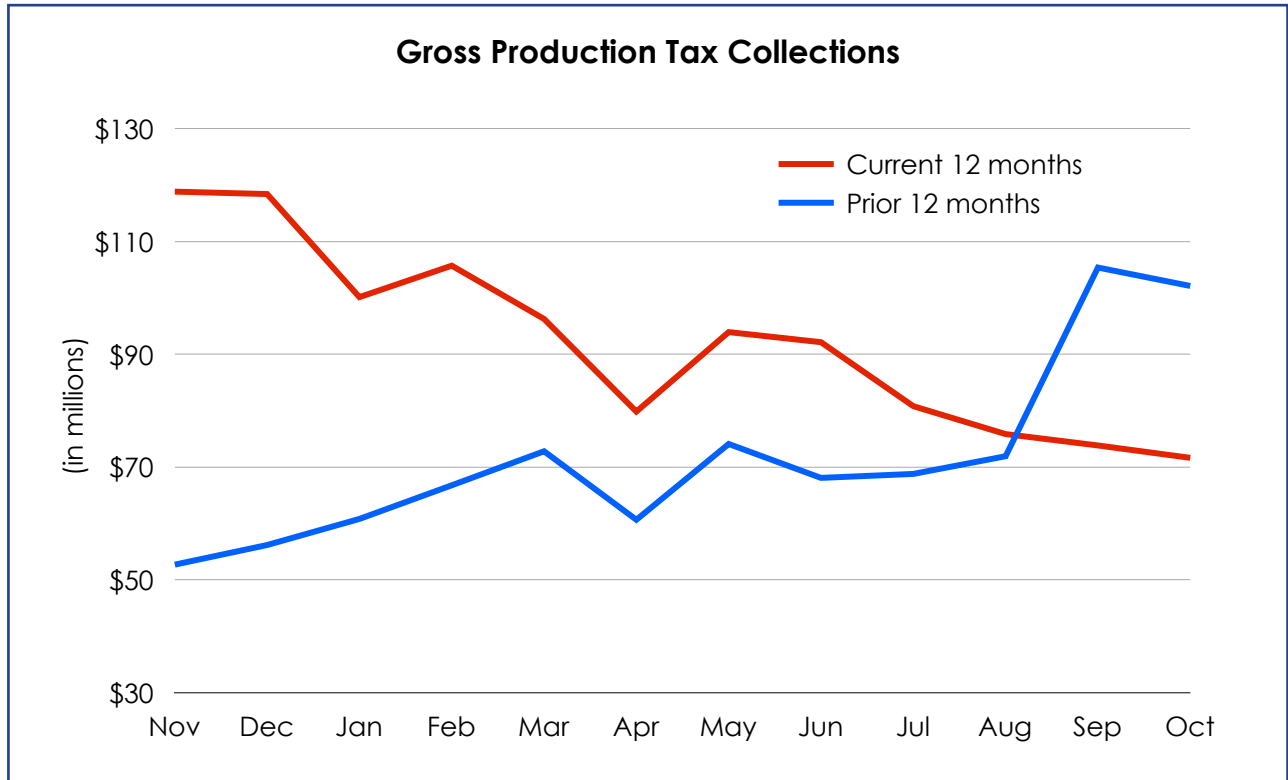
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# Gross Receipts to Treasury



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(2) Gross Collections from OTC