



SCOTT MEACHAM
OKLAHOMA STATE TREASURER

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**First Quarter Revenue Collections Exceed
Prior Year and Estimate**

September Collections Also Top Prior Year and Estimate

OKLAHOMA CITY — State Treasurer Scott Meacham today announced general revenue collections through the first three months of the current fiscal year were more than \$116 million above prior year receipts and \$55.6 million above the estimate for the period.

Preliminary reports show general revenue fund collections totaled \$1.439 billion for the first quarter of Fiscal Year 2007. That amount is:

- \$116.3 million or 8.8 percent above the first quarter of the prior year; and
- \$55.6 million or 4.0 percent above the estimate for the same period.

“The first three months of this fiscal year showed improved revenue collections over the prior year,” Meacham said. “Revenue in all major tax categories is well ahead of prior year collections with the exception of the gross production tax on natural gas.

“In spite of lower than expected energy prices, the state’s economy continues to show healthy growth. This growth shows that our economic recovery has diversified across sectors other than energy.”

In the fiscal year’s first three months, investment earnings by Treasurer Meacham totaled \$34.1 million. That compares with \$17.9 million in earnings during the first quarter of last year and reflects a \$16.2 million or 90.7 percent increase.

Last fiscal year, Meacham doubled investment earnings by restructuring the treasurer’s portfolio to place more funds into safe but higher-yielding investments. “This last quarter we doubled again the amount we are earning the taxpayers on the money we invest for them without taking additional risk,” Meacham said.

Net income tax collections – the combination of individual and corporate income tax returns – totaled \$686.1 million for the quarter. That is \$54.9 million or 8.7 percent above collections of one year ago and \$32.2 million or 4.9 percent more than the estimate.

The state sales tax produced \$381.3 million for the three-month period ending in September, which is \$27.9 million or 7.9 percent above the prior year and \$14.8 million or 4.0 percent above the estimate.

(more)

The gross production tax on natural gas yielded \$131.3 million during the fiscal year's first quarter, which is \$3.6 million or 2.7 percent below the prior year and \$15.6 million or 10.6 percent below the estimate.

Motor vehicle tax receipts, which come primarily from vehicle sales and licenses, produced \$63.6 million in the first quarter of the fiscal year. This is equal to the prior year and \$3.9 million or 6.5 percent above the estimate.

Other revenue, which includes a wide range of sources such as interest and investments, insurance and inheritance taxes and liquor and cigarettes, produced \$176.6 million during the fiscal year's first quarter. This is \$37.1 million or 26.6 percent above the prior year and \$20.3 million or 13 percent above the estimate.

“September collections showed little change from previous months,” Meacham said. “We did see a reduction in gross production tax collections compared to estimates for the month due to lower than expected natural gas prices.”

Preliminary reports show general revenue fund collections totaled \$592.1 million for September. This amount is \$64.5 million or 12.2 percent above the prior year and \$35.4 million or 6.3 percent above the estimate.

Treasurer's Investment Earnings --- This source yielded \$9.05 million, which was \$3.4 million or 60.8 percent above the same month one year ago.

Net Income Taxes — This source yielded \$337.4 million to the FY-07 general revenue fund, which was \$51.2 million or 17.9 percent above the prior year and \$42.3 million or 14.3 percent above the estimate.

Sales Tax — The state's number two revenue source produced \$127.7 million for general revenue, up \$12.6 million or 10.9 percent from the prior year and \$6.7 million or 5.5 percent above the estimate.

Gross Production Tax — This tax on natural gas accounted for \$41.9 million for general revenue, which was \$8.6 million or 17.1 percent below the prior year and \$8.5 million or 16.9 percent below the estimate.

Motor Vehicle Taxes — This source produced \$21.3 million. This was \$43,000 or 0.2 percent below the prior year but \$1.9 million or 10 percent above the estimate.

Other Revenue — Other revenue produced \$63.8 million, which was \$9.3 million or 17.2 percent above the prior year but \$7.1 million or 10 percent below the estimate.

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General Revenue Comparisons With Prior Year

CHART I

PRELIMINARY (In \$ millions)	MONTHLY COMPARISON		SUMMARY September 2006	
	FY-06 Actual September. 2005	FY-07 Actual September. 2006	Variance From Prior Year \$	Variance From Prior Year %
Net Income Tax	286.2	337.4	51.2	17.9%
Gross Production	50.5	41.9	-8.6	-17.1%
Sales Tax	115.1	127.7	12.6	10.9%
Motor Vehicle	21.3	21.3	0.0	-0.2%
Subtot: Major Taxes	473.2	528.3	55.1	11.7%
Other Sources (1)	54.4	63.8	9.3	17.2%
TOTAL GEN REVEI	527.6	592.1	64.5	12.2%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	527.6	592.1	64.5	12.2%

PRELIMINARY (In \$ millions)	3 MONTH YEAR TO DATE		SUMMARY September 2006	
	FY-06 Actual Thru September. 2005	FY-07 Actual Thru September. 2006	Variance From Prior Year \$	Variance From Prior Year %
Net Income Tax	631.3	686.1	54.9	8.7%
Gross Production	135.0	131.3	-3.6	-2.7%
Sales Tax	353.4	381.3	27.9	7.9%
Motor Vehicle	63.6	63.6	0.0	0.0%
Subtot: Major Taxes	1,183.2	1,262.4	79.2	6.7%
Other Sources (1)	139.6	176.6	37.1	26.6%
TOTAL GEN REVEI	1,322.7	1,439.0	116.3	8.8%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	1,322.7	1,439.0	116.3	8.8%

(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

MONTHLY COMPARISON

SUMMARY September 2006

(In \$ millions)	FY-07 Estimate	FY-07 Actual	Variance From Estimate	
	September. 2006	September. 2006	\$	%
Net Income Tax	295.1	337.4	42.3	14.3%
Gross Production	50.4	41.9	-8.5	-16.9%
Sales Tax	121.0	127.7	6.7	5.5%
Motor Vehicle	19.3	21.3	1.9	10.0%
Subtot: Major Taxes	485.9	528.3	42.5	8.7%
Other Sources (1)	70.9	63.8	-7.1	-10.0%
TOTAL GEN REVENUE	556.7	592.1	35.4	6.3%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	556.7	592.1	35.4	6.3%

PRELIMINARY

3 MONTH YEAR TO DATE

SUMMARY September 2006

(In \$ millions)	FY-07 Estimate	FY-07 Actual	Variance From Estimate	
	thru September. 2006	thru September. 2006	\$	%
Net Income Tax	653.9	686.1	32.2	4.9%
Gross Production	146.9	131.3	-15.6	-10.6%
Sales Tax	366.5	381.3	14.8	4.0%
Motor Vehicle	59.7	63.6	3.9	6.5%
Subtot: Major Taxes	1,227.0	1,262.4	35.3	2.9%
Other Sources (1)	156.4	176.6	20.3	13.0%
TOTAL GEN REVENUE	1,383.4	1,439.0	55.6	4.0%
Less 1-time receipts	0.0	0.0	0.0	0.0%
Recurring Rev. (2)	1,383.4	1,439.0	55.6	4.0%

(1) Other sources revenue estimated pending final accounting.

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

Details may not sum due to rounding.