For Immediate Release: October 3, 2019

Monthly Oil and Gas Tax Collections Drop

OKLAHOMA CITY – September Gross Receipts to the Treasury showed modest overall growth, State Treasurer Randy McDaniel announced today. The increase was less than one percent, driven by a downturn in oil and gas tax collections and a drop in sales tax revenues.

Total monthly gross receipts from all revenue sources were $1.16 billion, up from the same month of the prior year by $3.8 million, or 0.3 percent. It is the smallest amount of growth in 30 months.

“On a positive note, Gross Receipts to the Treasury show improvement continues with stable expansion in income, motor vehicle, and use tax receipts,” McDaniel said. “However, the report also indicates that growth in the state’s economy has leveled off in recent months primarily due to a decline in oil field activity.”

In September, year-over-year collections on the production of oil and gas were down by $31.5 million, or 29.9 percent. During the year, oil prices dropped by 19.2 percent and rig counts plunged by 32.6 percent.

Sales tax receipts fell slightly below those of the same month of the prior year for the third time in four months. September sales tax collections were down by $1.3 million, or 0.3 percent.

Other indicators

The Oklahoma Business Conditions index for September returned to positive territory after dipping the prior month. September’s rate of 50.1 is up from 49.6 in August. The index has been below growth neutral in three of the past six months. Numbers above 50 indicate anticipated economic expansion during the next one to two quarters.

In August, Oklahoma’s seasonally adjusted unemployment rate of 3.2 percent and the U.S. jobless rate of 3.7 percent were both unchanged from the previous month, according to figures released by the Oklahoma Employment Security Commission.

(more)
September collections

September gross collections total $1.16 billion, up by $3.8 million, or 0.3 percent, from September 2018.

Gross income tax collections, a combination of individual and corporate income taxes, generated $430.8 million, an increase of $20.8 million, or 5.1 percent, from the previous September.

Individual income tax collections for the month are $337.4 million, up by $17.1 million, or 5.3 percent, from the prior year. Corporate collections are $93.4 million, an increase of $3.7 million, or 4.2 percent.

Combined sales and use tax collections, including remittances on behalf of cities and counties, total $466.2 million in September. That is $2.2 million, or 0.5 percent, more than September 2018.

Sales tax collections in September total $408.1 million, a drop of $1.3 million, or 0.3 percent from the same month of the prior year. Use tax receipts, collected on out-of-state purchases including online sales, generated $58.1 million, an increase of $3.5 million, or 6.4 percent, over the year.

Gross production taxes on oil and natural gas generated $73.8 million in September, a decrease of $31.5 million, or 29.9 percent, from last September. Compared to August 2019 reports, gross production collections are down by $2 million, or 2.7 percent.

Motor vehicle taxes produced $63.3 million, up by $3.2 million, or 5.4 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 $123.1 million during the month. That is $9.1 million, or 8 percent, more than last September.

Twelve-month collections

Gross revenue totals $13.73 billion from the past 12 months, October 2018 through September 2019. That is $1.2 billion, or 9.5 percent, more than collections from the previous 12-month period.

Gross income taxes generated $4.65 billion for the 12 months, reflecting an increase of $295.1 million, or 6.8 percent, from the prior 12 months.

Individual income tax collections total $4.13 billion, up by $269.5 million, or 7 percent, from the prior period. Corporate collections are $519.9 million for the period, an increase of $25.5 million, or 5.2 percent, over the previous 12 months.

(more)
Combined sales and use taxes for the 12 months generated $5.61 billion, an increase of $293.5 million, or 5.5 percent, from the prior period.

Gross sales tax receipts total $4.9 billion, up by $125.9 million, or 2.6 percent, during the period. Use tax collections generated $712 million, an increase of $167.6 million, or 30.8 percent over the previous 12 months.

Oil and gas gross production tax collections brought in $1.14 billion during the 12 months, up by $327.4 million, or 40.4 percent, from the previous period.

Motor vehicle collections total $791.6 million for the 12 months. This is an increase of $17 million, or 2.2 percent, from the trailing period.

Other sources generated $1.54 billion, up by $262.6 million, or 20.5 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

<table>
<thead>
<tr>
<th>(In $ millions)</th>
<th>September-18</th>
<th>September-19</th>
<th>Variance From Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Income Tax</strong></td>
<td>410.0</td>
<td>430.8</td>
<td>20.8</td>
</tr>
<tr>
<td>Individual</td>
<td>320.3</td>
<td>337.4</td>
<td>17.1</td>
</tr>
<tr>
<td>Corporate</td>
<td>89.7</td>
<td>93.4</td>
<td>3.7</td>
</tr>
<tr>
<td><strong>Sales &amp; Use Tax (1)</strong></td>
<td>464.0</td>
<td>466.2</td>
<td>2.2</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>409.4</td>
<td>408.1</td>
<td>(1.3)</td>
</tr>
<tr>
<td>Use Tax</td>
<td>54.6</td>
<td>58.1</td>
<td>3.5</td>
</tr>
<tr>
<td><strong>Gross Production</strong></td>
<td>105.3</td>
<td>73.8</td>
<td>(31.5)</td>
</tr>
<tr>
<td>Motor Vehicle</td>
<td>60.0</td>
<td>63.3</td>
<td>3.2</td>
</tr>
<tr>
<td><strong>Other Sources (2)</strong></td>
<td>114.0</td>
<td>123.1</td>
<td>9.1</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>1,153.4</strong></td>
<td><strong>1,157.2</strong></td>
<td><strong>3.8</strong></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

October 2018 – September 2019
Dollar Variance in Millions from Same Month of Prior Year

- Income Tax
- Gross Production
- Sales & Use Tax
- Motor Vehicle
- Other

Office of the State Treasurer
# Gross Receipts to Treasury

## PRELIMINARY

<table>
<thead>
<tr>
<th></th>
<th>Prior Year Oct 17 - Sept 18</th>
<th>Current Year Oct 18 - Sept 19</th>
<th>Variance From Prior Year $</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Income Tax</strong></td>
<td>4,353.0</td>
<td>4,648.1</td>
<td>295.1</td>
<td>6.8%</td>
</tr>
<tr>
<td>Individual</td>
<td>3,858.7</td>
<td>4,128.2</td>
<td>269.5</td>
<td>7.0%</td>
</tr>
<tr>
<td>Corporate</td>
<td>494.4</td>
<td>519.9</td>
<td>25.5</td>
<td>5.2%</td>
</tr>
<tr>
<td><strong>Sales and Use Tax (1)</strong></td>
<td>5,314.5</td>
<td>5,608.0</td>
<td>293.5</td>
<td>5.5%</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>4,770.1</td>
<td>4,896.0</td>
<td>125.9</td>
<td>2.6%</td>
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<tr>
<td>Use Tax</td>
<td>544.3</td>
<td>712.0</td>
<td>167.6</td>
<td>30.8%</td>
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<tr>
<td><strong>Gross Production</strong></td>
<td>810.1</td>
<td>1,137.5</td>
<td>327.4</td>
<td>40.4%</td>
</tr>
<tr>
<td>Motor Vehicle</td>
<td>774.6</td>
<td>791.6</td>
<td>17.0</td>
<td>2.2%</td>
</tr>
<tr>
<td>Other Sources (2)</td>
<td>1,281.6</td>
<td>1,544.1</td>
<td>262.6</td>
<td>20.5%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>12,533.8</td>
<td>13,729.3</td>
<td>1,195.5</td>
<td>9.5%</td>
</tr>
</tbody>
</table>

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

## 12-Month Gross Receipts

12 months ending September 2008 – 12 months ending September 2019 (in $ millions)

![Chart showing gross receipts]

$13,729 Sep-19
$12,103 Feb-15
$11,284 Dec-08
$9,364 Feb-10
$10,764 Mar-17

**NOTE:** Shaded area denotes U.S. recession.

Office of the State Treasurer
Gross Receipts to Treasury

Gross Production Tax Collections

Revenue Sources as Percentage of Whole

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

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