



**OKLAHOMA STATE TREASURER  
KEN MILLER**

**For Immediate Release: October 7, 2015**

## **Gross Receipts to the Treasury Continue to Shrink in September**

**OKLAHOMA CITY** – For the first time in almost five years, 12-month Gross Receipts to the Treasury are less than the previous 12-month period. Collections during September, at 4.6 percent below the same month of last year, pushed 12-month collections to 0.5 percent below the previous period, State Treasurer Ken Miller announced today.

This is the fifth consecutive time the monthly comparison has been negative. The last time 12-month receipts showed contraction was in October 2010 as the state was still shaking off the remnants of the Great Recession.

As has been the case in all but two months of the past year, collections from oil and natural gas production taxes shrank, which was the main reason for the downturn in September. Sales tax collections for the month were also lower, while income tax and motor vehicle receipts were higher.

“The state’s economy is clearly showing the direct and indirect impact of low oil prices, with monthly gross production and sales taxes collections down,” Miller said. “Revenue growth from the past year has been erased and indications are the situation is going to get worse before it gets better.”

September gross production collections are from oil field activity in July, when the average price of benchmark West Texas Intermediate crude oil was \$50.90 per barrel. Oil prices dropped to an average of \$42.87 in August and \$45.51 in September. The impact of those lower prices will be reflected in October and November receipts.

Gross production collections were off by almost 53 percent for the month, and sales taxes fell by 6.4 percent. Combined personal and corporate income tax collections for the month were up by 3.1 percent, while motor vehicle collections grew by 2.7 percent.

Gross receipts for the past 12 months total \$11.85 billion, down by 57.6 million from the prior 12 months. During the same time, gross production tax collections are down by almost 34 percent and motor vehicle collections are off by more than 4 percent. Income tax and sales tax collections remain growth positive over the 12 months, at 4.7 percent and 1 percent, respectively.

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## **Other indicators**

Oklahoma's unemployment rate rose by one-tenth of one percentage point in August to 4.6 percent. The number of those listed as jobless decreased by 34 during the month, but the labor force shrank by 10,516 and the number of those employed decreased by 10,482. The national unemployment rate was set at 5.1 percent in August.

The Business Conditions Index for Oklahoma in September remained below growth neutral for a fifth consecutive month and dipped to 46.2 from August's 48.1. Numbers below 50 indicate economic contraction is expected during the next three to six months. Survey results indicate state businesses expect to eliminate thousands of jobs during the final three months of the calendar year.

## **September collections**

Receipts for September set gross collections at \$1.04 billion, down \$50.02 million or 4.6 percent from September 2014.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$438.36 million, an increase of \$13.19 million or 3.1 percent from the previous September.

Personal income tax collections for the month are \$323.62 million, up by \$3.37 or 1.1 percent from the prior year. Corporate collections are \$114.73 million, up by \$9.81 million or 9.4 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$357.79 million in September. That is \$24.31 million or 6.4 percent lower than September 2014.

Gross production taxes on oil and natural gas generated \$36.69 million in September, a decrease of \$41.23 million or 52.9 percent from last September. Compared to August reports, gross production collections are down by \$4.14 million or 10.1 percent.

Motor vehicle taxes produced \$67.51 million, up by \$1.78 million or 2.7 percent from the prior year.

Other collections, consisting of about 60 different sources including taxes on fuel, tobacco, horse race gambling and alcoholic beverages, produced \$139.71 million during the month. That is \$0.55 million or 0.4 percent higher than last September.

## **Twelve-month collections**

Gross revenue totals \$11.85 billion between October 2014 and September 2015. That is \$57.56 million or 0.5 percent lower than collections from October 2013 to September 2014.

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Gross income taxes generated \$4.42 billion for the period, reflecting an increase of \$197.96 million or 4.7 percent from the prior period.

Personal income tax collections total \$3.79 billion, up by \$118.2 million or 3.2 percent from the prior 12 months. Corporate collections are \$623.19 million for the period, an increase of \$79.77 million or 14.7 percent over the previous period.

Sales taxes for the period generated \$4.44 billion, an increase of \$45.58 million or 1 percent from the prior 12 months.

Oil and gas gross production tax collections brought in \$586.02 million during the 12 months, down by \$299.18 million or 33.8 percent from the previous 12 months.

Motor vehicle collections total \$770.19 million for the period. This is a drop of \$33.17 million or 4.1 percent from the trailing period.

Other sources generated \$1.64 billion, up \$31.24 million or 1.9 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:**

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# Gross Receipts to Treasury

PRELIMINARY

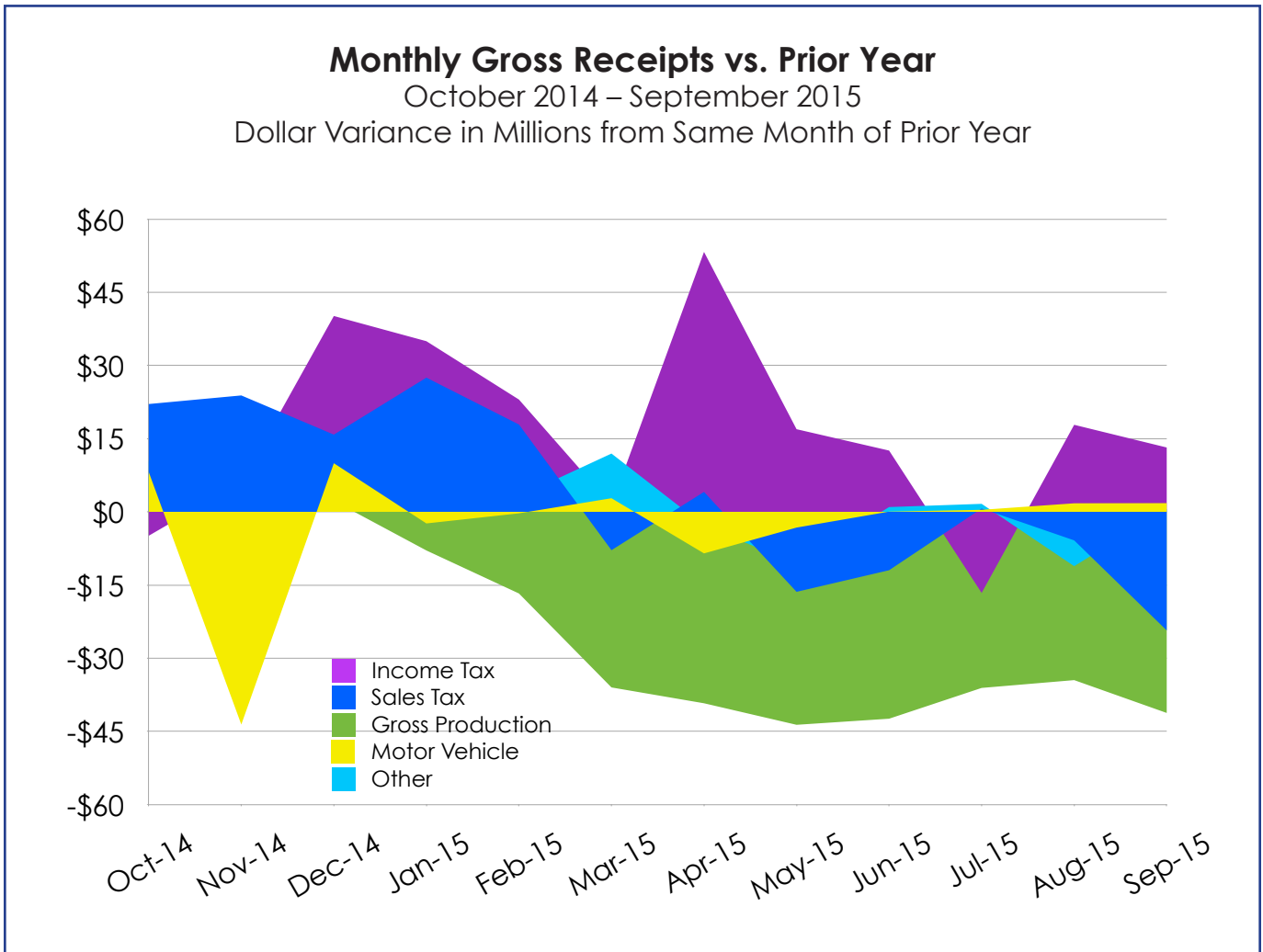
## MONTHLY COMPARISON

(In \$ millions)	September-14	September-15	Variance From Prior Year	
			\$	%
Income Tax	425.17	438.36	13.19	3.1%
Gross Production	77.92	36.69	-41.23	-52.9%
Sales Tax (1)	382.10	357.79	-24.31	-6.4%
Motor Vehicle	65.72	67.51	1.78	2.7%
Other Sources (2)	139.16	139.71	0.55	0.4%
<b>TOTAL REVENUE</b>	<b>1,090.08</b>	<b>1,040.06</b>	<b>-50.02</b>	<b>-4.6%</b>

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



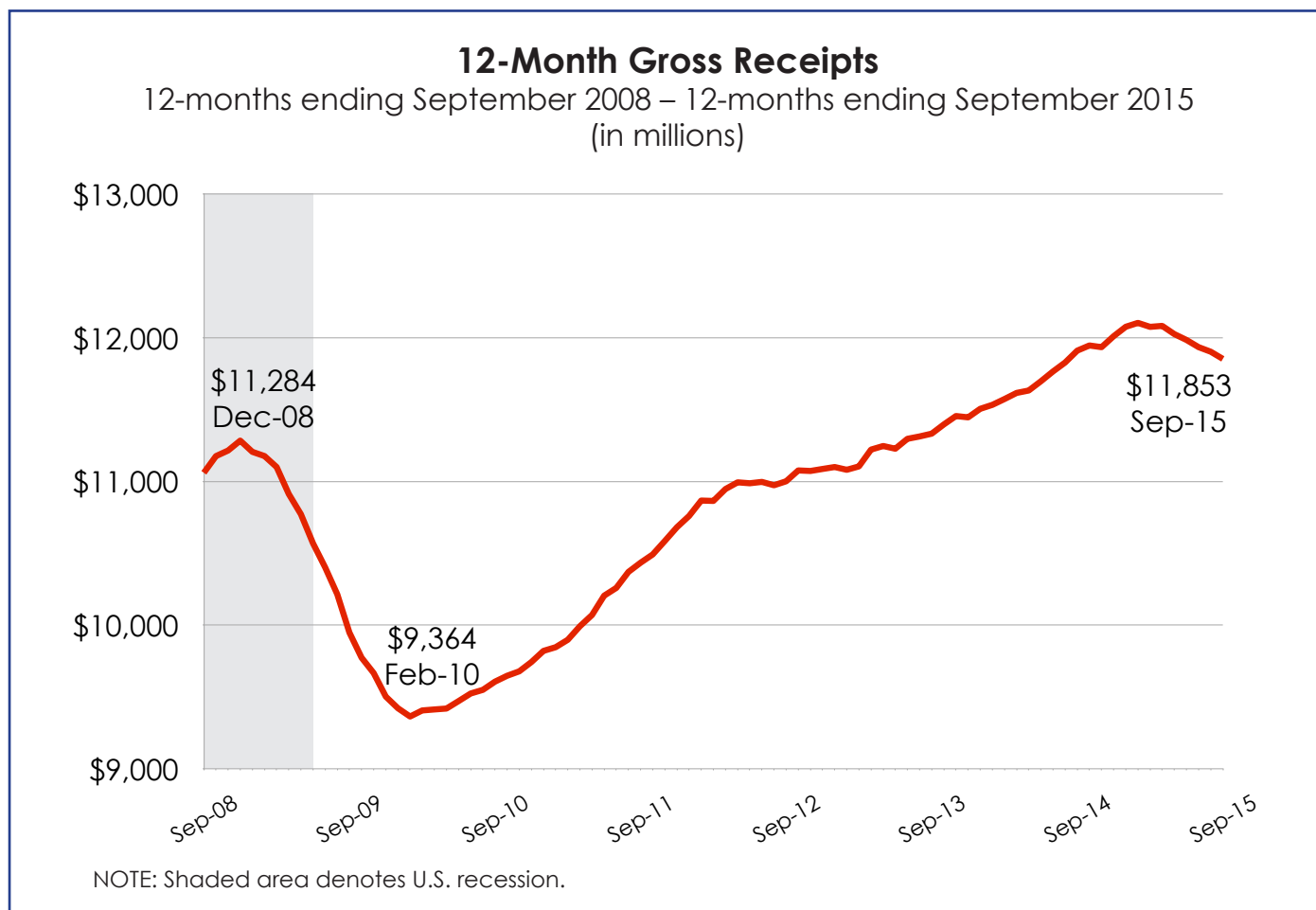
# Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending October 2014 - September 2015		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	Oct 2013 - Sept 2014	Oct 2014 - Sept 2015	\$	%
Income Tax	4,220.17	4,418.13	197.96	4.7%
Gross Production	885.20	586.02	-299.18	-33.8%
Sales Tax (1)	4,389.89	4,435.48	45.58	1.0%
Motor Vehicle	803.36	770.19	-33.17	-4.1%
Other Sources (2)	1,611.66	1,642.90	31.24	1.9%
<b>TOTAL REVENUE</b>	<b>11,910.28</b>	<b>11,852.72</b>	<b>-57.56</b>	<b>-0.5%</b>

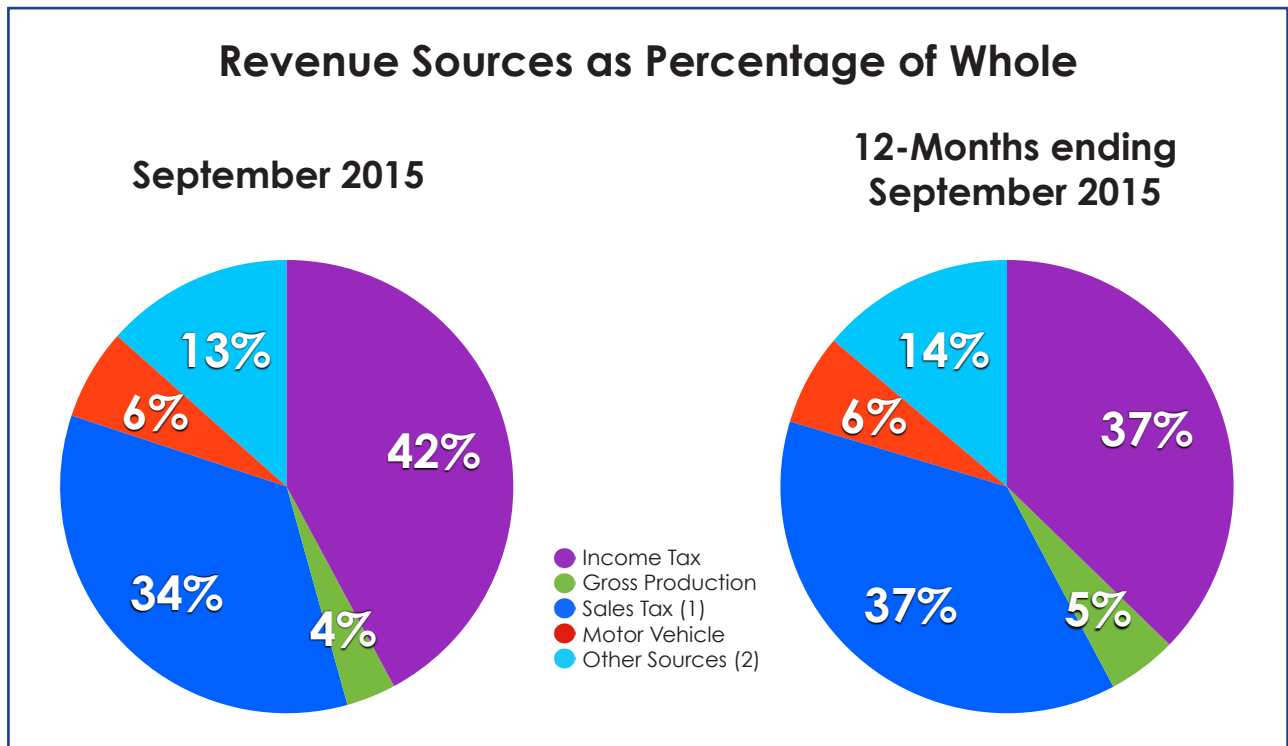
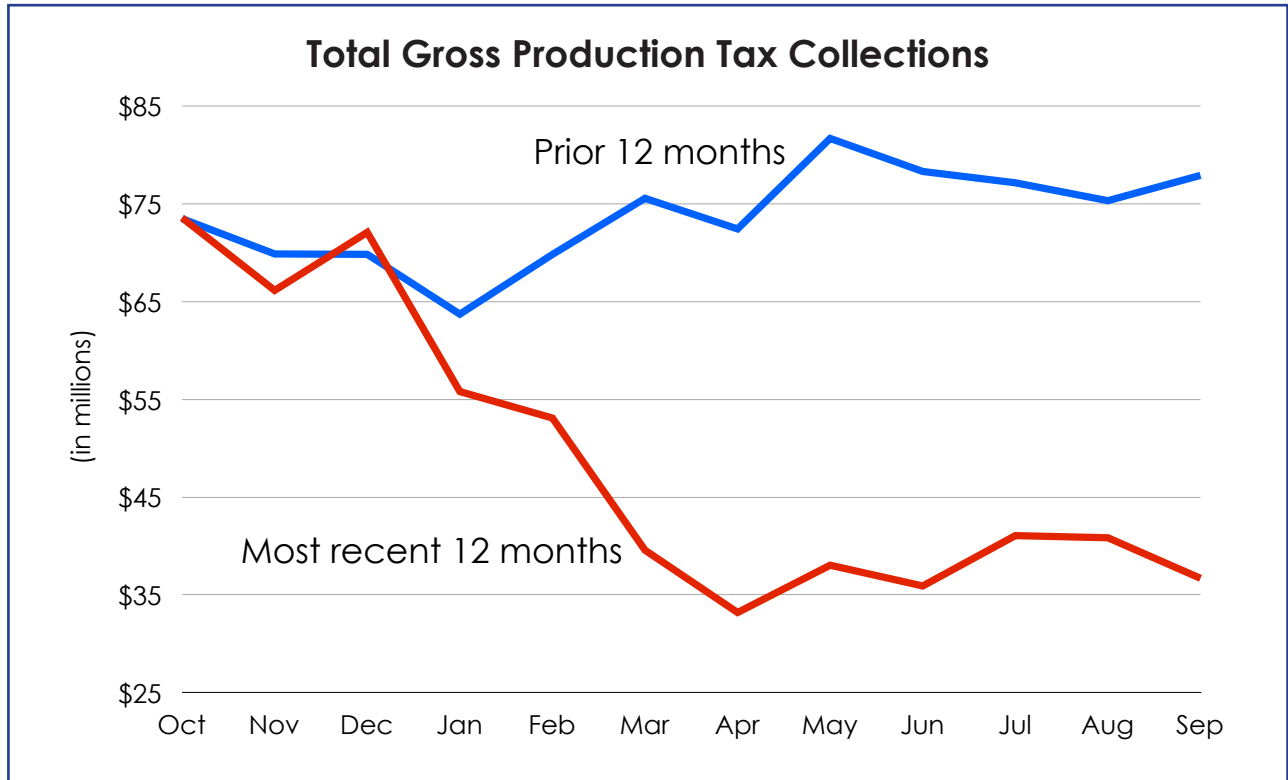
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# Gross Receipts to Treasury



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