



**OKLAHOMA STATE TREASURER  
KEN MILLER**

**For Immediate Release: May 5, 2014**

## **April Gross Receipts Show Continued Economic Expansion**

**OKLAHOMA CITY** – Oklahoma’s April Gross Receipts to the Treasury report again indicates the state’s economy continues on an expansionary course, State Treasurer Ken Miller announced today at a State Capitol news conference.

Monthly collections of \$1.32 billion exceed last April’s receipts by 3.3 percent. April’s growth brings 12-month collections to \$11.62 billion, 3.5 percent higher than receipts from the trailing 12 months.

“These numbers indicate Oklahoma’s economic expansion continues,” Miller said. “As is historically the case in April, most of the money is from income tax collections. However, the largest percentage increases this month are from gross production and motor vehicle receipts.”

The only major revenue stream that is lower than last year is corporate income tax, off by more than 30 percent. Corporate income tax tends to be one of the more volatile of Oklahoma’s revenue sources due to many unique characteristics involving strategic business decisions on retained earnings, dividend payments, loss carryovers and credits.

Miller said higher oil and gas prices in February helped drive gross production collections higher in April. Gross production payments are made two months following extraction and sale of the oil and gas. “Oklahoma’s energy industry continues to boost the state’s economic health,” he said.

Sales tax collections, often viewed as a measure of consumer confidence, show Oklahomans remain positive. Sales tax receipts are up by over two percent from last April.

Miller said the state’s ongoing positive economic performance is no guarantee allocations to the General Revenue Fund (GRF) will be adequate to avoid across-the-board cuts to state agencies within the next two months.

“Next week’s GRF report from the Office of Management and Enterprise Services will show whether there will be sufficient money to fund the budget for the rest of the fiscal year,” Miller said. “While the state’s economic picture is, indeed, rosy, it is a different picture for the General Revenue Fund.”

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Last month, at the end of the third quarter of FY-14, allocations to the GRF were slightly ahead of collections from the prior year, but were shown as falling below the estimate by 5.2 percent, prompting officials to warn state agencies that a revenue failure might be declared this month and/or next and across-the-board cuts might be made. Revenue failure is the term used in law when collections are insufficient to fund appropriations made by the Legislature.

### **Other indicators**

Oklahoma's unemployment rate continues to reflect the strength of the economy, Miller said. The state's 4.9 percent March unemployment rate compares to a national rate of 6.7 percent.

March unemployment in the Oklahoma City metro was set at 4.8 percent, down from 5.1 percent in February. Twenty counties in Oklahoma list unemployment rates of less than four percent.

The Business Conditions Index for Oklahoma remained above growth neutral for April, declining slightly to 54.8 from March's 59.5. The survey points toward continued economic expansion for the next three to six months.

### **April collections**

The revenue report for April shows gross collections at \$1.316 billion, up \$42.54 million or 3.3 percent from April 2013.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$652.27 million, a decrease of \$16.31 million or 2.4 percent from the previous April.

Personal income tax collections for the month are \$578.31 million, up \$16.4 million or 2.9 percent from the prior year. Corporate collections are \$73.97 million, down by \$32.71 million or 30.7 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$365.32 million in April. That is \$7.91 million or 2.2 percent above April 2013.

Gross production taxes on oil and natural gas generated \$72.44 million in April, an increase of \$15.3 million or 26.8 percent from last April. Compared to March reports, gross production collections are up by \$6.61 million or 76 percent.

Motor vehicle taxes produced \$74.75 million, up by \$20.41 million or 37.6 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 \$151.16 million during the month. That is \$15.21 million or 11.2 percent more than last April.

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## **Twelve-month collections**

Between May 2013 and April 2014, gross revenue totals \$11.616 billion. That is \$394.34 million or 3.5 percent higher than collections for the previous 12-month period.

Gross income taxes generated \$4.137 billion for the period, reflecting an increase of \$20.52 million or 0.5 percent from the prior 12 months.

Personal income tax collections total \$3.6 billion, up by \$133.57 million or 3.8 percent from the May 2012 to April 2013 period. Corporate collections are \$533.07 million for the period, a decrease of \$113.05 million or 17.5 percent over the previous period.

Sales taxes for the period generated \$4.306 billion, an increase of \$110.34 million or 2.6 percent from the prior 12-months.

Oil and gas gross production tax collections brought in \$831.83 million during the 12 months, up by \$126.13 million or 17.9 percent from the previous period.

Motor vehicle collections total \$772.26 million for the period. This is an increase of \$84.34 million or 12.3 percent from the trailing 12 months.

Other sources generated \$1.569 billion, up \$53.01 million or 3.5 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 allocation report from the Office of Management and Enterprise Services, which provides important information to state agencies for budgetary planning purposes. The General Revenue Fund receives about 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

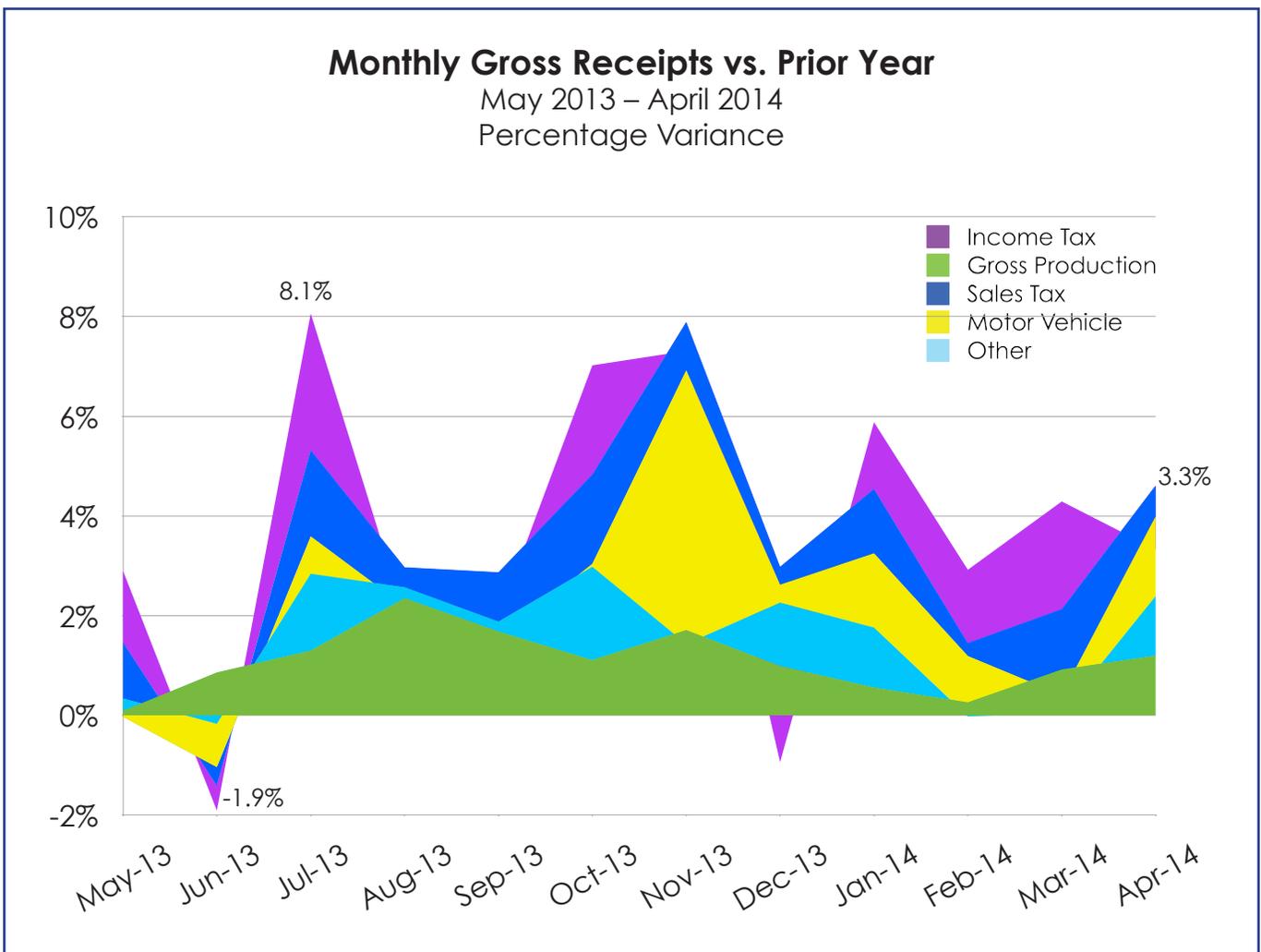
## MONTHLY COMPARISON

(In \$ millions)			Variance From Prior Year	
	April-13	April-14	\$	%
Income Tax	668.58	652.27	-16.31	-2.4%
Gross Production	57.14	72.44	15.30	26.8%
Sales Tax (1)	357.40	365.32	7.91	2.2%
Motor Vehicle	54.34	74.75	20.42	37.6%
Other Sources (2)	135.96	151.16	15.21	11.2%
<b>TOTAL REVENUE</b>	<b>1,273.41</b>	<b>1,315.94</b>	<b>42.54</b>	<b>3.3%</b>

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



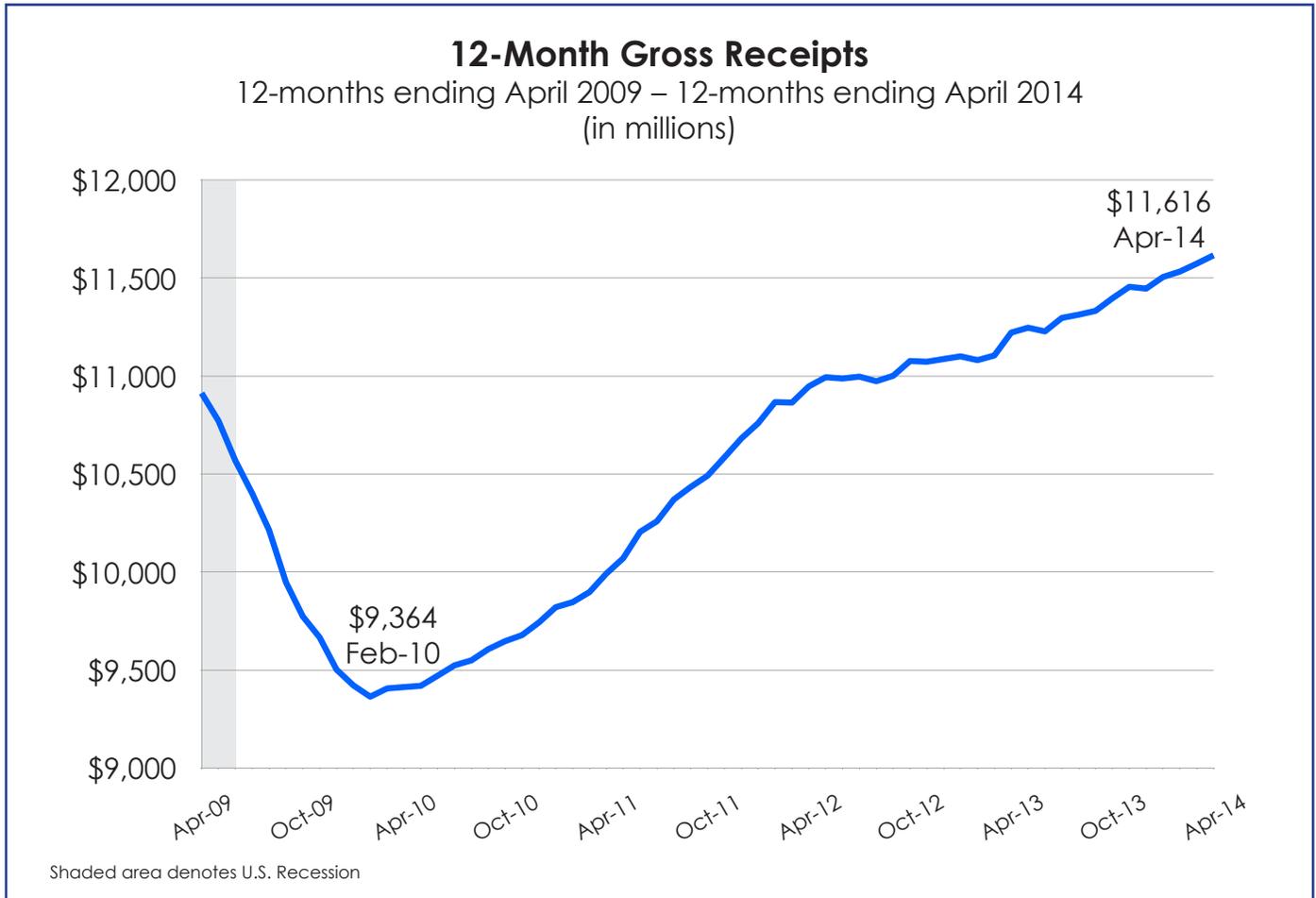
# Gross Receipts to Treasury

PRELIMINARY  (In \$ millions)	12 Month Period Ending May 2013 - Apr 2014		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	May 2012 - Apr 2013	May 2013 -Apr 2014	\$	%
Income Tax	4,116.41	4,136.92	20.52	0.5%
Gross Production	705.70	831.83	126.13	17.9%
Sales Tax (1)	4,196.11	4,306.45	110.34	2.6%
Motor Vehicle	687.92	772.26	84.34	12.3%
Other Sources (2)	1,515.49	1,568.50	53.01	3.5%
<b>TOTAL REVENUE</b>	<b>11,221.63</b>	<b>11,615.97</b>	<b>394.34</b>	<b>3.5%</b>

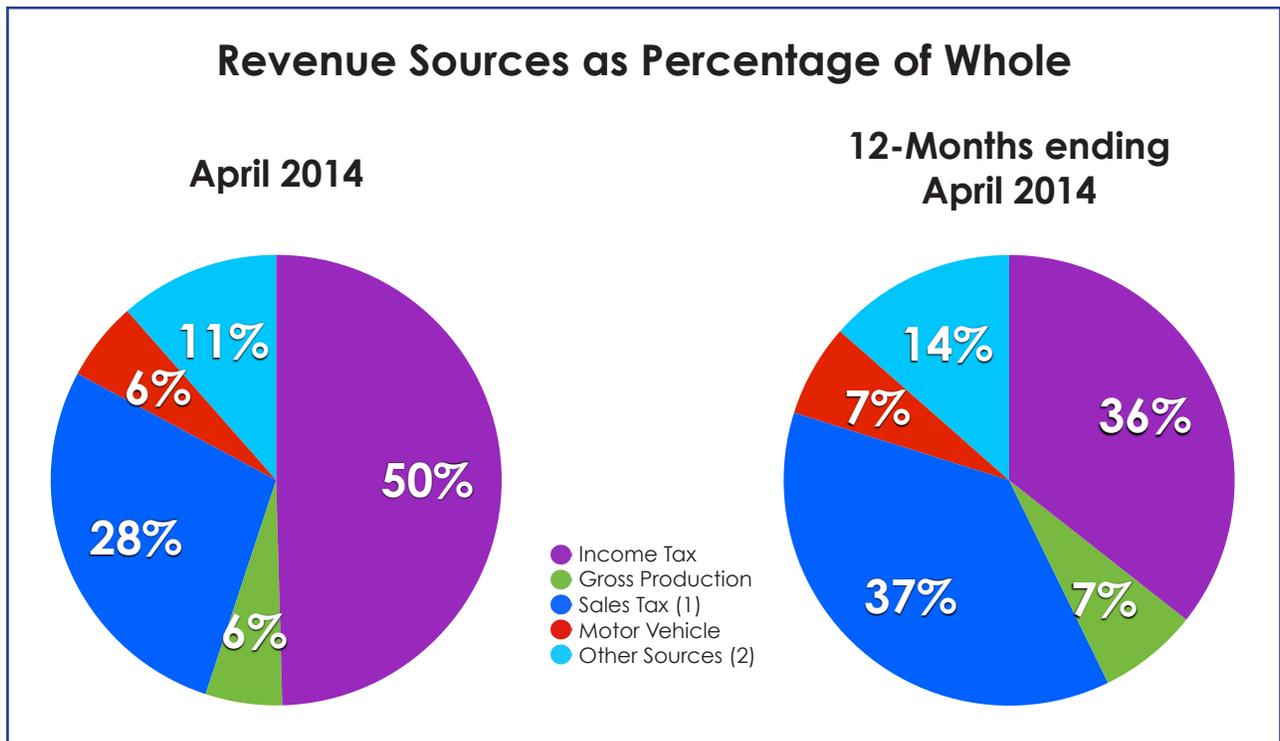
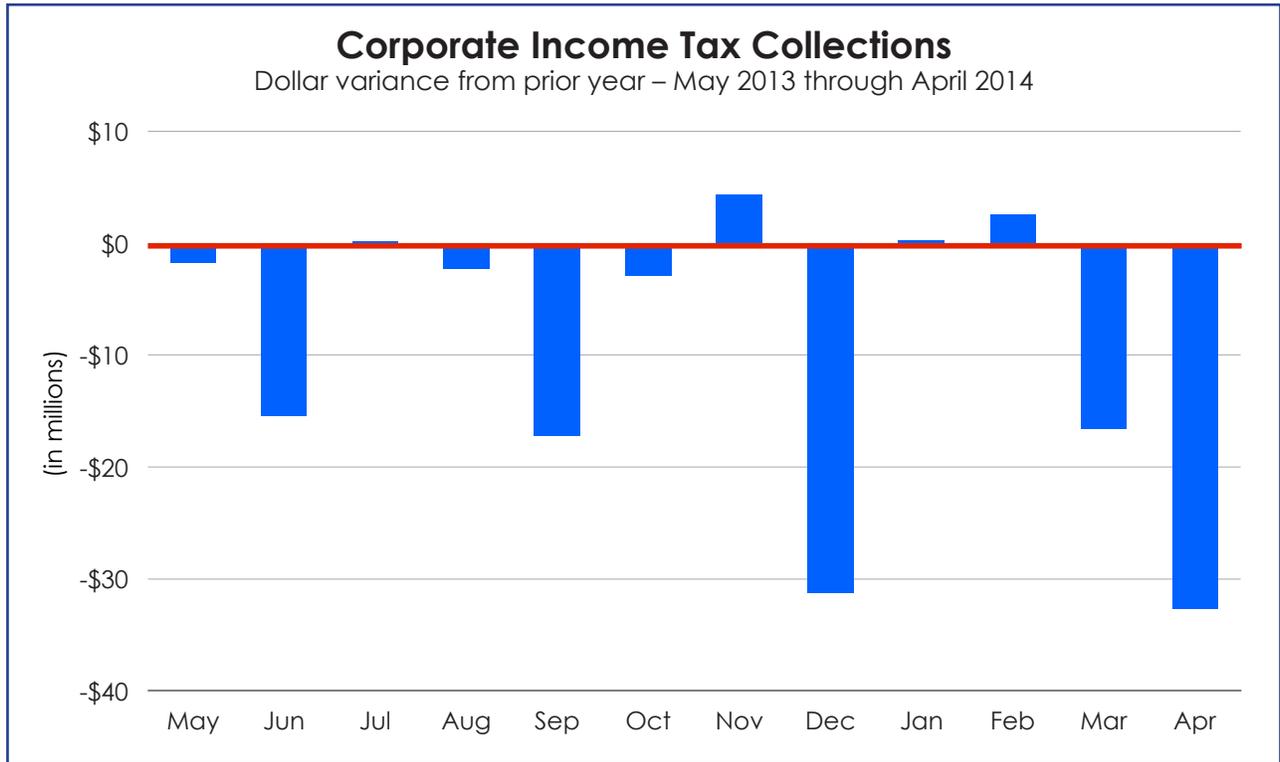
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# Gross Receipts to Treasury



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