

# State revenues show slow growth

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OKLAHOMA CITY – Oklahoma’s tax revenue picture continues to grow brighter, but that growth is slow, state Treasurer Scott Meacham said Tuesday.

Meacham, announcing the state’s revenue collections for November, said the economy continues to recover from the deepest recession since World War II.

“We are in much better shape than this time last year when collections were falling for an 11th consecutive month and budgets were being slashed across-the-board,” he said. “But we continue to see evidence the state’s economic recovery still has a ways to go.”

Meacham said preliminary reports show General Revenue Fund collections in November were \$345.9 million, an increase of \$29.5 million, or 9.3 percent, from the prior year but \$9.7 million less than the revenue estimate.

For the first five months of the fiscal year, collections totaled \$1.91 billion, which was \$113.7 million, or 6.3 percent, more than the first five months of the previous fiscal year and \$49.3 million or 2.7 percent above the estimate.

Meacham said reports show collections in all but one of the four major tax categories exceeded prior-year receipts in November.

“Income tax collections, after showing strength in October, dropped below the prior year and estimate during November primarily due to an increase in refunds and Quality Jobs payments,” he said. “We see good news, however, in sales tax collections that continue to exceed the prior year and the estimate.”

Net income taxes for November, both personal and corporate income taxes, produced \$132 million, which was \$5.4 million, or 3.9 percent, below the prior year and \$7.7 million, or 5.5 percent, below the estimate.

Personal income tax collections for the month were \$131 million, or 4.6 percent below the prior year and \$8 million, or 5.7 percent, below the estimate. Corporate income tax collections produced \$1 million during the month, which was \$200,000, or 29.1 percent, above the estimate. In November of last year, corporate income tax collections were recorded as zero.

Sales tax produced \$134.8 million for the month, which was \$11.6 million, or 9.5 percent, above the prior year and \$4.8 million, or 3.7 percent, above the estimate. However, sales tax collections during the holiday shopping season were not reflected in the reports.

In addition to sales tax revenue, the state's gross production tax on natural gas yielded \$20.1 million for the month, up \$9.8 million, or 95.3 percent, from the prior year but \$4.9 million, or 19.6 percent, below the estimate.

Motor vehicle taxes produced \$13.2 million in November, which was \$1.6 million, or 14 percent, above the prior year and \$1.6 million, or 13.7 percent, above the estimate.

Other revenue, including investment earnings along with taxes on insurance, alcoholic beverages and others, produced \$45.8 million for the month. This was \$11.8 million, or 34.7 percent, above the prior year but \$3.5 million or 7.1 percent below the estimate.

Meacham said he will have a better idea about next year's budget at next week's meeting of the state Board of Equalization.

"We look forward to seeing estimates on revenue collections to be presented to the state Board of Equalization next Tuesday," he said.