



**OKLAHOMA STATE TREASURER
KEN MILLER**

For Immediate Release: June 3, 2015

May Gross Receipts to the Treasury Fall Below Prior Year

OKLAHOMA CITY – Oklahoma’s Gross Receipts to the Treasury report for May shows the impact of lower oil and gas prices likely impacted other revenue streams, State Treasurer Ken Miller announced today.

Receipts in three of the state’s four major revenue streams – gross production, sales tax, and motor vehicle tax – were less than in May of last year. Only gross income tax collections showed growth, but of that, personal income tax receipts were also lower than the prior year. Only corporate income tax collections were more than receipts of May 2014.

“Low market prices for crude oil and natural gas spilled over into the broader economy as energy companies curbed their spending during the month. On balance, gross receipts were more than six percent lower than this time last year,” Miller said. “Though the news is not positive this month, our hope is that we’ll soon see improvement as prices rebound.”

Gross production taxes on oil and natural gas, reflecting oilfield activity from March, generated \$38 million, down by more than \$43 million from monthly receipts last May. In March, the spot price of West Texas Intermediate crude oil was \$47.82 per barrel. Natural gas sold for \$2.91 per thousand cubic feet at the Henry Hub in Louisiana during the same month.

Sales tax collections in May were down by more than 4 percent, while motor vehicle tax collections were off by more than 5 percent and personal income tax collections dipped by 1 percent. On the other hand, corporate income tax collections were up by more than 200 percent. However, corporate collections often vary widely from month to month and are not necessarily indicative of any economic trend.

Combined gross receipts over the past 12 months continue to show growth, but the current growth rate of 3.4 percent is down from a rate of 4 percent seen last month.

Other indicators

The state’s unemployment rate increased to 4.1 percent in April, up by two-tenths of a percentage point from the prior month. The nation’s unemployment rate was set at 5.4 percent in April.

(more)

The Business Conditions Index for Oklahoma dropped below growth neutral in May to 47 from April's 50.8. The leading economic indicator points to an ongoing spillover effect of the pullback by energy and manufacturing firms. Numbers below 50 mean economic contraction is expected during the next three to six months.

May collections

The report for May shows gross receipts at \$843.65 million, down \$57.04 million or 6.3 percent from May 2014.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$272.01 million, an increase of \$16.94 million or 6.6 percent from the previous May.

Personal income tax collections for the month are \$243.37 million, down \$2.56 million or 1 percent from the prior year. Corporate collections are \$28.64 million, up by \$19.49 million or 213.2 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$356.78 million in May. That is \$16.4 million or 4.4 percent below May 2014.

Gross production taxes on oil and natural gas generated \$38.03 million in May, a decrease of \$43.66 million or 53.4 percent from last May. Compared to April reports, gross production collections are up by \$4.84 million or 14.6 percent.

Motor vehicle taxes produced \$59.48 million, down by \$3.23 million or 5.2 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 \$117.34 million during the month. That is \$10.68 million or 8.3 percent less than last May.

Twelve-month collections

Between June 2014 and May 2015, gross revenue totals \$12.03 billion. That is \$392.54 million or 3.4 percent higher than collections for the previous 12-month period.

Gross income taxes generated \$4.39 billion for the period, reflecting an increase of \$280.05 million or 6.8 percent from the prior 12 months.

Personal income tax collections total \$3.8 billion, up by \$223.05 million or 6.2 percent from the June 2013 to May 2014 period. Corporate collections are \$590.65 million for the period, an increase of \$57 million or 10.7 percent over the previous period.

Sales taxes for the period generated \$4.48 billion, an increase of \$145.64 million or 3.4 percent from the prior 12-months.

(more)

Oil and gas gross production tax collections brought in \$740.25 million during the 12 months, down by \$109.39 million or 12.9 percent from the previous period.

Motor vehicle collections total \$766.21 million for the period. This is a decrease of \$9.73 million or 1.3 percent from the trailing 12 months.

Other sources generated \$1.65 billion, up \$85.97 million or 5.5 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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Gross Receipts to Treasury

PRELIMINARY

MONTHLY COMPARISON

(In \$ millions)			Variance From Prior Year	
	May-14	May-15	\$	%
Income Tax	255.07	272.01	16.94	6.6%
Gross Production	81.70	38.03	-43.66	-53.4%
Sales Tax (1)	373.18	356.78	-16.40	-4.4%
Motor Vehicle	62.72	59.48	-3.23	-5.2%
Other Sources (2)	128.03	117.34	-10.68	-8.3%
TOTAL REVENUE	900.69	843.65	-57.04	-6.3%

(1) Includes Collections for Counties and Municipalities

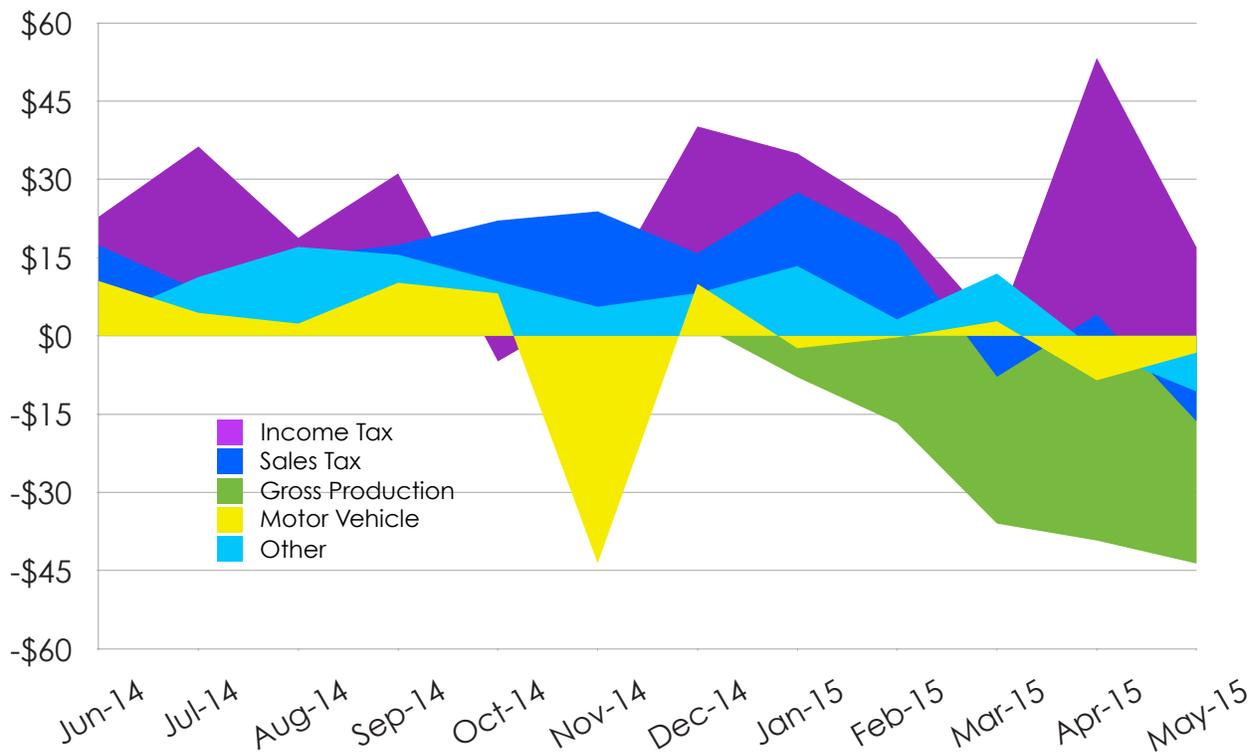
(2) Gross Collections from OTC

Details may not sum due to rounding.

Monthly Gross Receipts vs. Prior Year

June 2014 – May 2015

Dollar Variance in Millions from Same Month of Prior Year



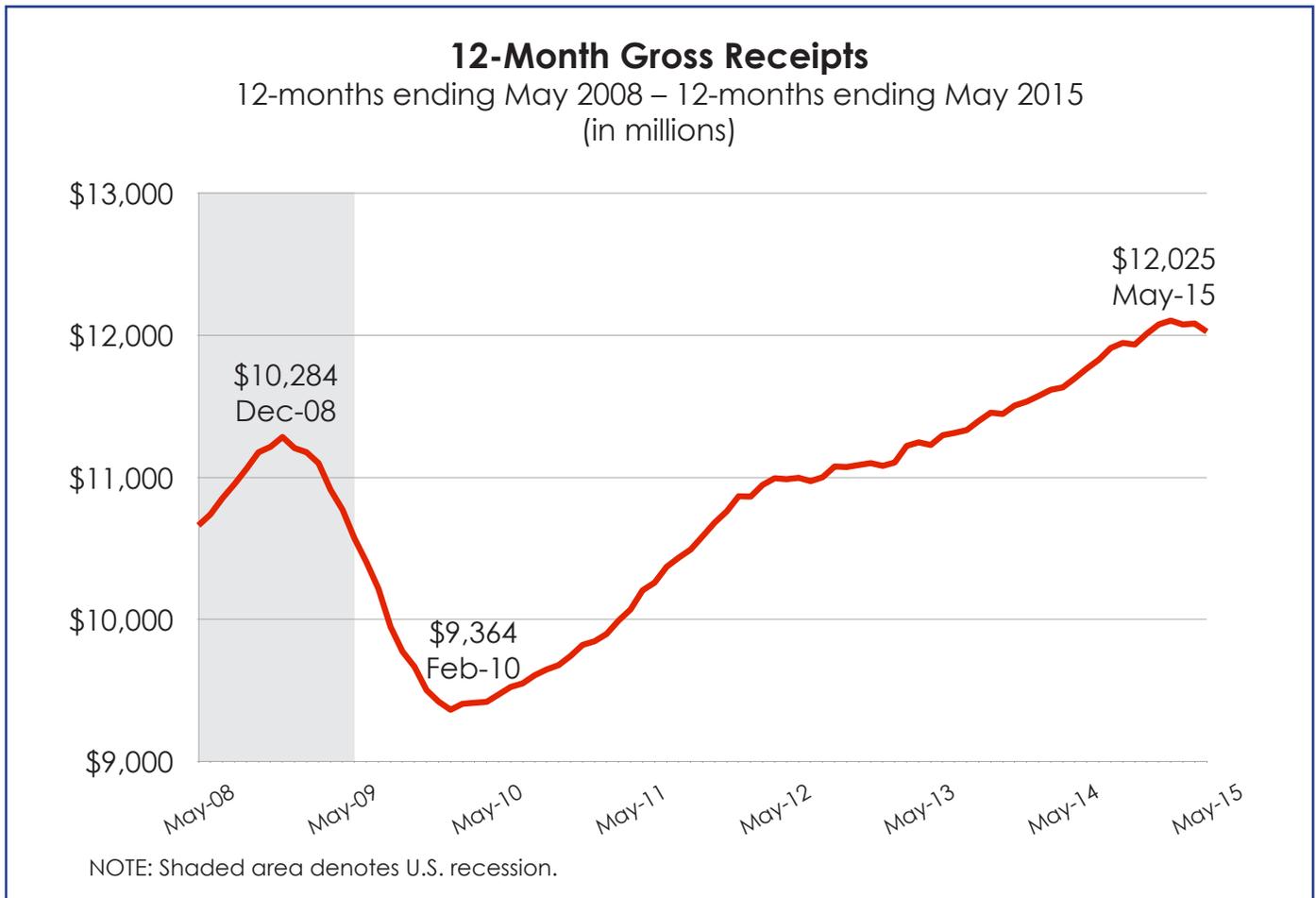
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending June 2014-May 2015		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	June 2013 - May 2014	June 2014 - May 2015	\$	%
Income Tax	4,111.12	4,391.17	280.05	6.8%
Gross Production	849.64	740.25	-109.39	-12.9%
Sales Tax (1)	4,331.27	4,476.91	145.64	3.4%
Motor Vehicle	775.93	766.21	-9.73	-1.3%
Other Sources (2)	1,564.90	1,650.87	85.97	5.5%
TOTAL REVENUE	11,632.86	12,025.41	392.54	3.4%

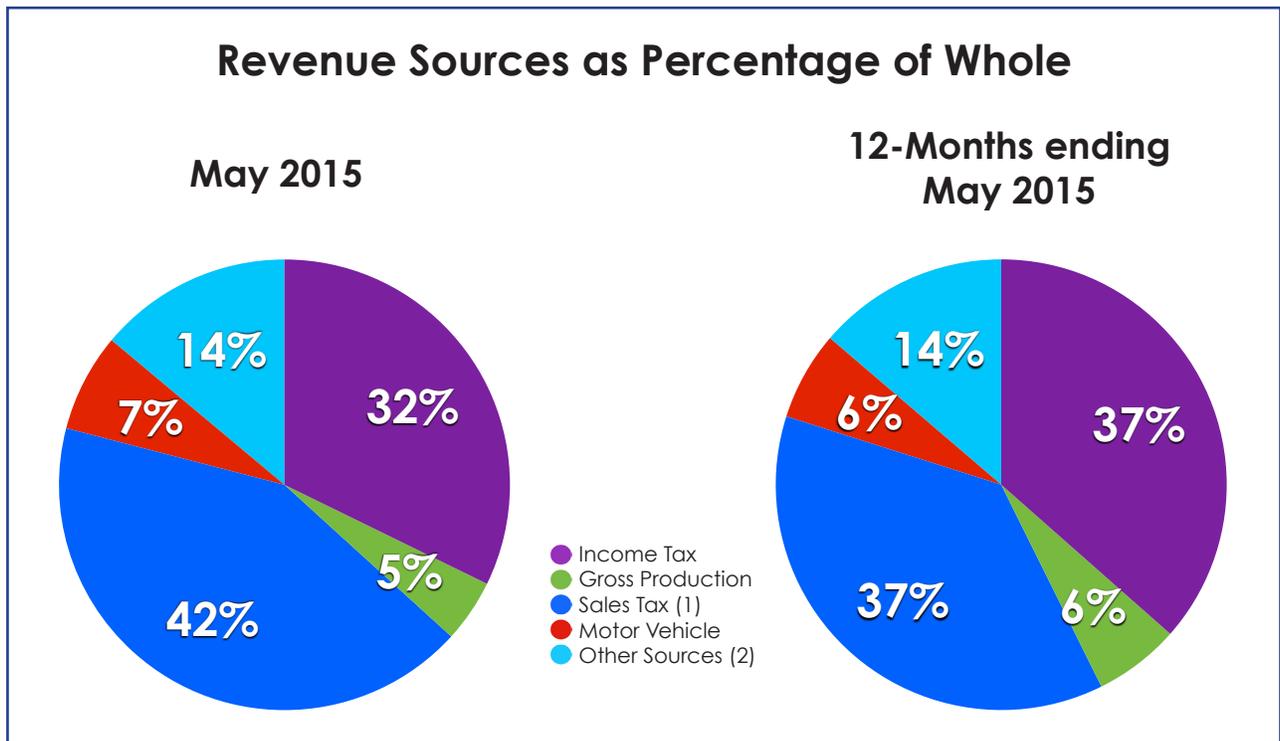
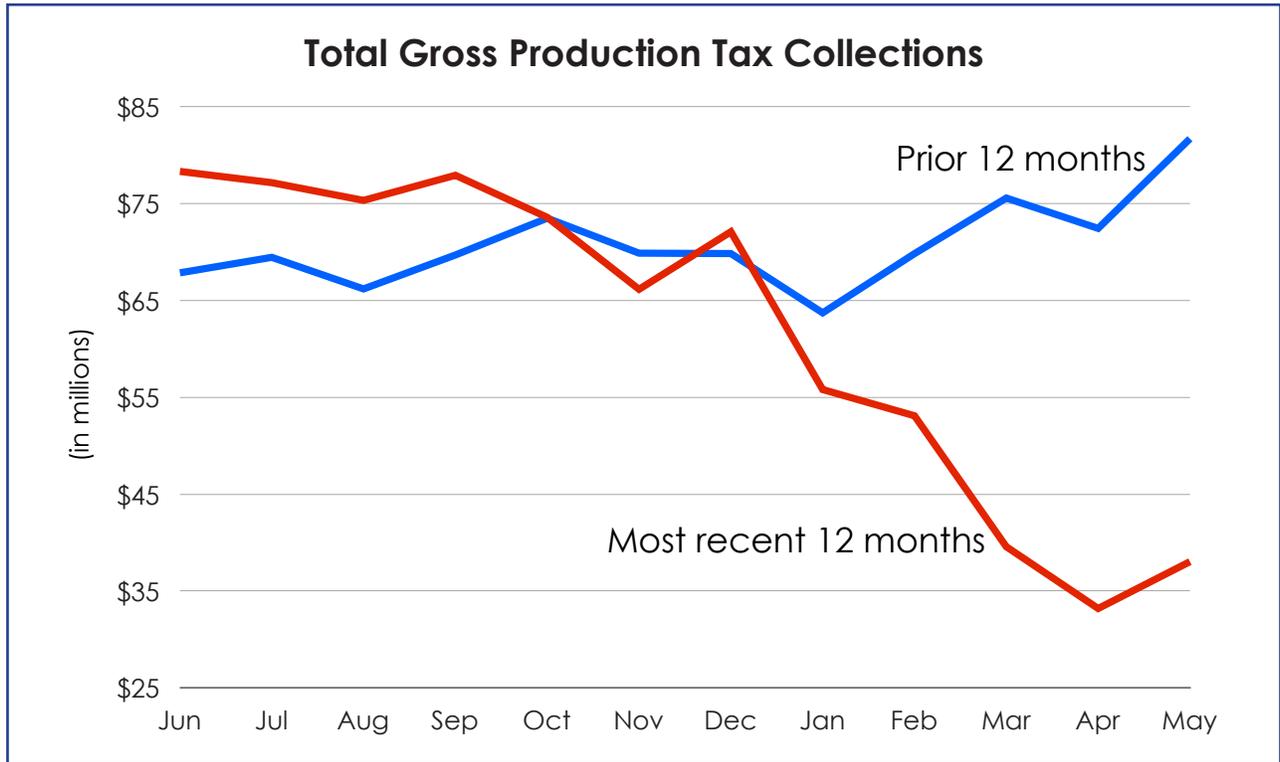
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Gross Receipts to Treasury



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