



**OKLAHOMA STATE TREASURER  
KEN MILLER**

**For Immediate Release: September 6, 2011**

**Oklahoma Economy Hot in August**

*Treasurer says energy and income collections fueled the growth*

**OKLAHOMA CITY** – Oklahoma’s economy matched the temperatures in August, as revenue collection grew at a double-digit pace in spite of concerns of a worldwide slowdown, State Treasurer Ken Miller said today as he released the state’s monthly revenue report.

August collections were 15.2 percent higher than in August of last year, nearly matching the year-over-year growth of 15.5 percent recorded in June. Monthly collections moderated slightly in July at 6.8 percent growth from the prior year.

Miller said collections over the past 12 months total \$10.37 billion, the highest level since July 2009 when 12-month collections totaled \$10.402 billion.

“During the prolonged recession, 12-month collections in Oklahoma dropped by more than \$1.9 billion between December 2008 and February 2010,” he said. “As of August, we have recovered \$1 billion, or more than 50 percent of that lost economic activity.”

**State economic signs remain positive**

Miller said other recent data signal a positive economic outlook for Oklahoma, albeit somewhat subdued.

The August Oklahoma Business Conditions Index shows expected growth in the coming months. However, the index at 56.8 is down from July’s rate of 61.9, showing consumer confidence has waned. A number above 50 indicates economic growth, while a lower number anticipates contraction.

“Understandably, people are concerned about what they’re hearing on the news about the credit downgrade, sovereign debt problems, geopolitical events and volatility in the stock market,” Miller said. “However, many Oklahomans recognize that the economy here has performed much better than elsewhere.”

July statewide unemployment rose to 5.5 percent, or by one-tenth of one percent from June, while county-by-county unemployment rates dropped in all but five of Oklahoma’s 77 counties.

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Gross production taxes on oil and natural gas are showing the biggest gains in revenue collections, measured both over the past 12 months and for August, but some slowdown is expected in the coming months.

Gross production taxes, also known as severance or extraction taxes, are paid two to three months after the production occurs. Three months ago, crude oil was selling for 10 to 15 percent more than today's prices, which means gross production collections in August are reflective of those higher prices.

"While natural gas prices have remained steady over the past several months, the drop in crude oil prices is expected to be reflected in state collections," Miller said. "Unless crude oil production volume was increased when the price dropped, less gross production revenue will be paid to the state during the next quarter."

### **August collections boom**

The revenue report for August shows gross collections at \$842.86 million, up \$111.26 million or 15.2 percent from August of last year.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$238.63 million, an increase of \$44.63 million or 23 percent from the previous August.

Personal income tax collections for the month are \$233.57 million, up \$44.37 million or 23.5 percent from the prior year. Corporate collections are \$5.06 million, an increase of \$0.26 million or 5.4 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$323.53 million in August. That is \$18.11 million or 5.9 percent above August of last year.

Gross production taxes on oil and gas generated \$101.33 million in August, an increase of \$29.71 million or 41.5 percent from last August. Compared to July reports, gross production collections are down by \$1.48 million or 1.4 percent.

Motor vehicle taxes produced \$60.27 million, up by \$6.21 million or 11.5 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 \$119.1 million during the month. That is \$12.6 million or 11.8 percent higher than last August.

### **Twelve-month collections demonstrate growth**

In the past 12 months, gross revenue totals \$10.37 billion. That is \$820.7 million or 8.6 percent higher than the 12-month period ending in August 2010.

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Gross income taxes generated \$3.541 billion for the 12 months, reflecting an increase of \$273.45 million or 8.4 percent from the trailing 12 months.

Personal income tax collections total \$3.094 billion, up by \$187.59 million or 6.5 percent from the prior 12 months. Corporate collections are \$446.86 million for the period, an increase of \$85.86 million or 23.8 percent over the previous 12 months.

Sales taxes for the period generated \$3.751 billion, an increase of \$290.84 million or 8.4 percent from the prior 12-month period.

Oil and gas gross production tax collections brought in \$1.035 billion during the 12 months, up by \$136.32 million or 15.2 percent from the previous period.

Motor vehicle collections total \$641.78 million for the period. This is an increase of \$46.85 million or 7.9 percent from the trailing 12 months.

Other sources generated \$1.401 billion, up \$73.25 million or 5.5 percent from the previous period.

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# Gross Receipts to Treasury

PRELIMINARY

## MONTHLY COMPARISON

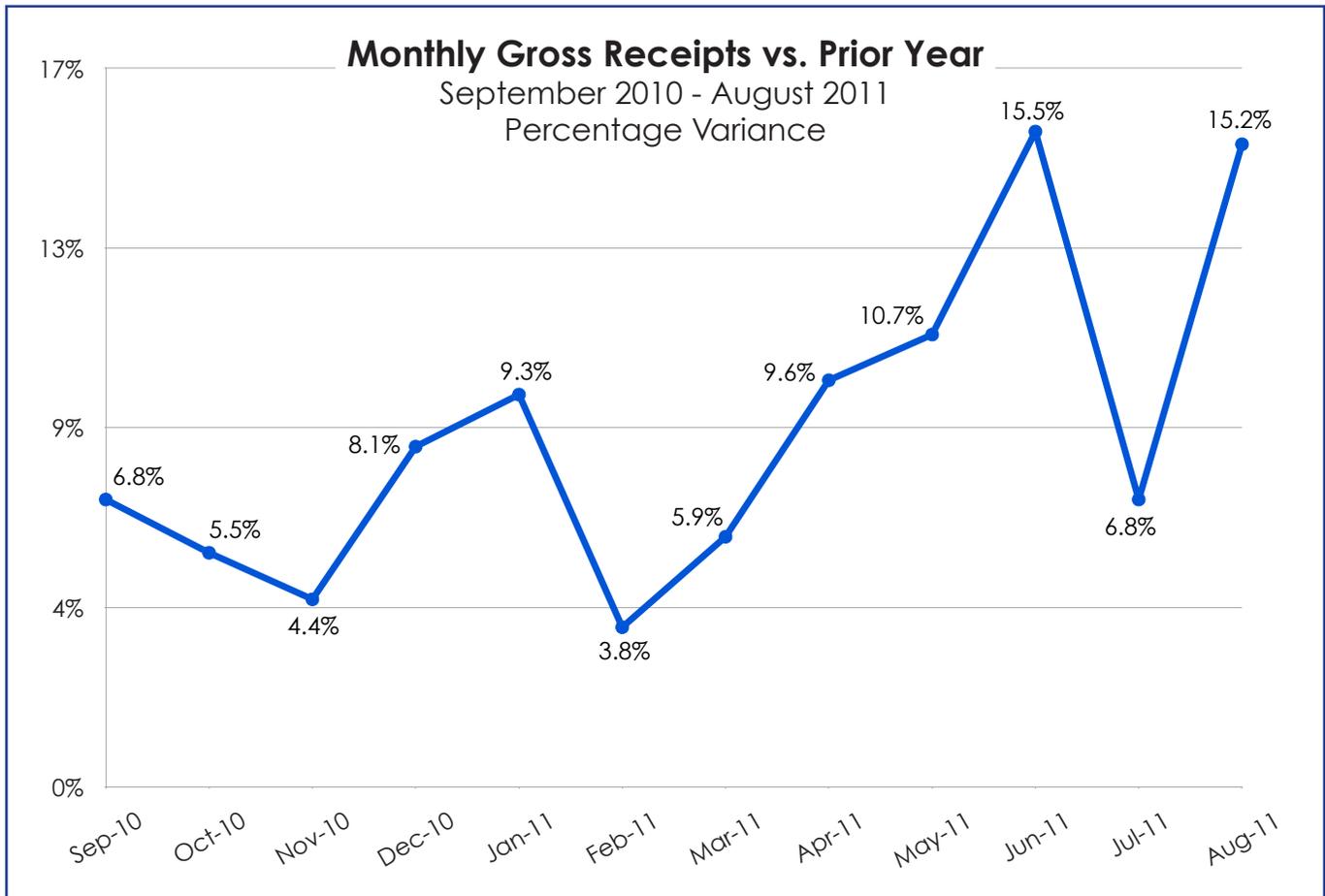
SUMMARY August 2011  
Variance From Prior Year

(In \$ millions)	MONTHLY COMPARISON		SUMMARY August 2011 Variance From Prior Year	
	August-10	August-11	\$	%
Income Tax	194.00	238.63	44.63	23.0%
Gross Production	71.62	101.33	29.71	41.5%
Sales Tax (1)	305.42	323.53	18.11	5.9%
Motor Vehicle	54.06	60.27	6.21	11.5%
Other Sources (2)	106.50	119.10	12.60	11.8%
<b>TOTAL REVENUE</b>	<b>731.60</b>	<b>842.86</b>	<b>111.26</b>	<b>15.2%</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 <b>August</b>		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	Sept 2009 - Aug 2010	Sept 2010 - Aug 2011	\$	%
Income Tax	3,267.13	3,540.58	273.45	8.4%
Gross Production	898.95	1,035.27	136.32	15.2%
Sales Tax (1)	3,460.47	3,751.30	290.84	8.4%
Motor Vehicle	594.93	641.78	46.85	7.9%
Other Sources (2)	1,328.10	1,401.34	73.25	5.5%
<b>TOTAL REVENUE</b>	<b>9,549.57</b>	<b>10,370.28</b>	<b>820.70</b>	<b>8.6%</b>

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.

