



**OKLAHOMA STATE TREASURER
KEN MILLER**

For Immediate Release: March 4, 2013

Gross Collections Dip in February

OKLAHOMA CITY – Oklahoma revenue collections dipped slightly in February, the fifth such occurrence in the past year, State Treasurer Ken Miller said today as he released the state’s monthly gross receipts to the treasury report.

“As with last March, June, August and November, collections in February are lower than the same month of the prior year,” Miller said. “This follows 24 consecutive months of collections beating the prior year.”

Miller said economic growth continues, but at a more subdued pace.

“Our average growth rate between March 2011 and February 2012 topped 10 percent,” he said. “For the past 12 months, growth has averaged two percent.”

February gross collections were down by 2.4 percent, or almost \$20 million, from February of last year. Oklahoma’s two biggest sources of revenue, income tax and sales tax, both grew – income by 1.4 percent and sales by 3.9 percent.

Gross production, motor vehicle taxes and other sources were all reported as lower than the prior year.

Monthly collections were marginally affected by the inclusion of a leap day last February.

Looking forward, Miller said the impact of a prolonged standoff in Washington over the federal budget and spending could eventually impact Oklahoma.

“The spillover effects of sequestration on household consumption and business investment are a concern and could hamper future growth,” he said.

“The sequester cuts, which are disproportionately weighted toward the military, could weaken both national security and our state’s economy. Federal spending must be greatly reduced, but should be done strategically and include entitlement reform – the real spending problem in Washington.”

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Positive business conditions

The latest Business Conditions Index for Oklahoma report anticipates continued economic growth, though slightly slower than in January's report. The February survey shows Oklahoma with a rating of 52.5, compared to January's 53.8. Numbers above 50 indicate anticipated growth. According to the survey, Oklahoma's economy is outperforming other states in the region as unemployment has dropped by two percentage points since the recovery started and the state labor force has expanded by almost 40,000 jobs.

February collections

The revenue report for February shows gross collections at \$790.4 million, down \$19.53 million or 2.4 percent from February 2012.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$235.01 million, an increase of \$3.2 million or 1.4 percent from the previous February.

Personal income tax collections for the month are \$229.3 million, up \$5.03 million or 2.2 percent from the prior year. Corporate collections are \$5.71 million, a decrease of \$1.83 million or 24.3 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$333.24 million in February. That is \$12.61 million or 3.9 percent above February 2012.

Gross production taxes on oil and natural gas generated \$63.17 million in February, a decrease of \$5.99 million or 8.7 percent from last February. Compared to January reports, gross production collections are up by \$5.12 million or 8.8 percent.

Motor vehicle taxes produced \$49.44 million, down by \$5.25 million or 9.6 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 \$109.55 million during the month. That is \$24.09 million or 18 percent less than last February.

Twelve-month collections

Between March 2012 and February 2013, gross revenue totals \$11.08 billion. That is \$213.82 million or 2 percent higher than collections from the previous 12-month period.

Gross income taxes generated \$3.988 billion, reflecting an increase of \$220.44 million or 5.9 percent from the prior 12 months.

Personal income tax collections total \$3.402 billion, up by \$163.84 million or 5.1 percent from the March 2011 to February 2012 period. Corporate collections are \$586.89 million for the period, an increase of \$56.61 million or 10.7 percent over the previous period.

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Sales taxes for the period generated \$4.191 billion, an increase of \$280.74 million or 7.2 percent from the prior 12 months.

Oil and gas gross production tax collections brought in \$711.32 million during the 12 months, down by \$315.83 million or 30.7 percent from the previous period.

Motor vehicle collections total \$697.22 million for the period. This is an increase of \$19.71 million or 2.9 percent from the trailing 12 months.

Other sources generated \$1.492 billion, up \$8.74 million or 0.6 percent from the previous 12 months.

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Gross Receipts to Treasury

PRELIMINARY

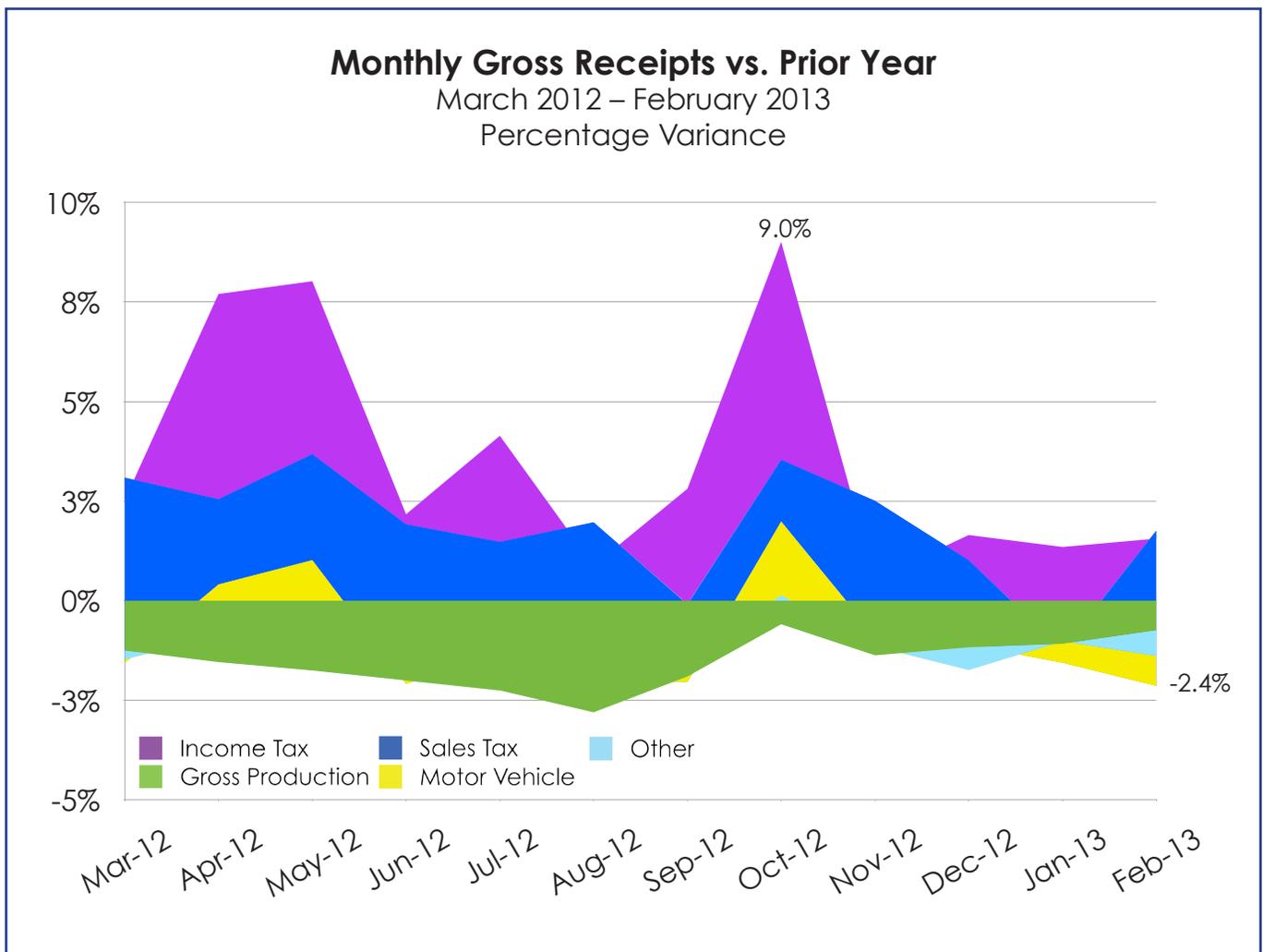
MONTHLY COMPARISON

(In \$ millions)			Variance From Prior Year	
	February-12	February-13	\$	%
Income Tax	231.81	235.01	3.20	1.4%
Gross Production	69.16	63.17	-5.99	-8.7%
Sales Tax (1)	320.63	333.24	12.61	3.9%
Motor Vehicle	54.69	49.44	-5.25	-9.6%
Other Sources (2)	133.64	109.55	-24.09	-18.0%
TOTAL REVENUE	809.93	790.40	-19.53	-2.4%

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



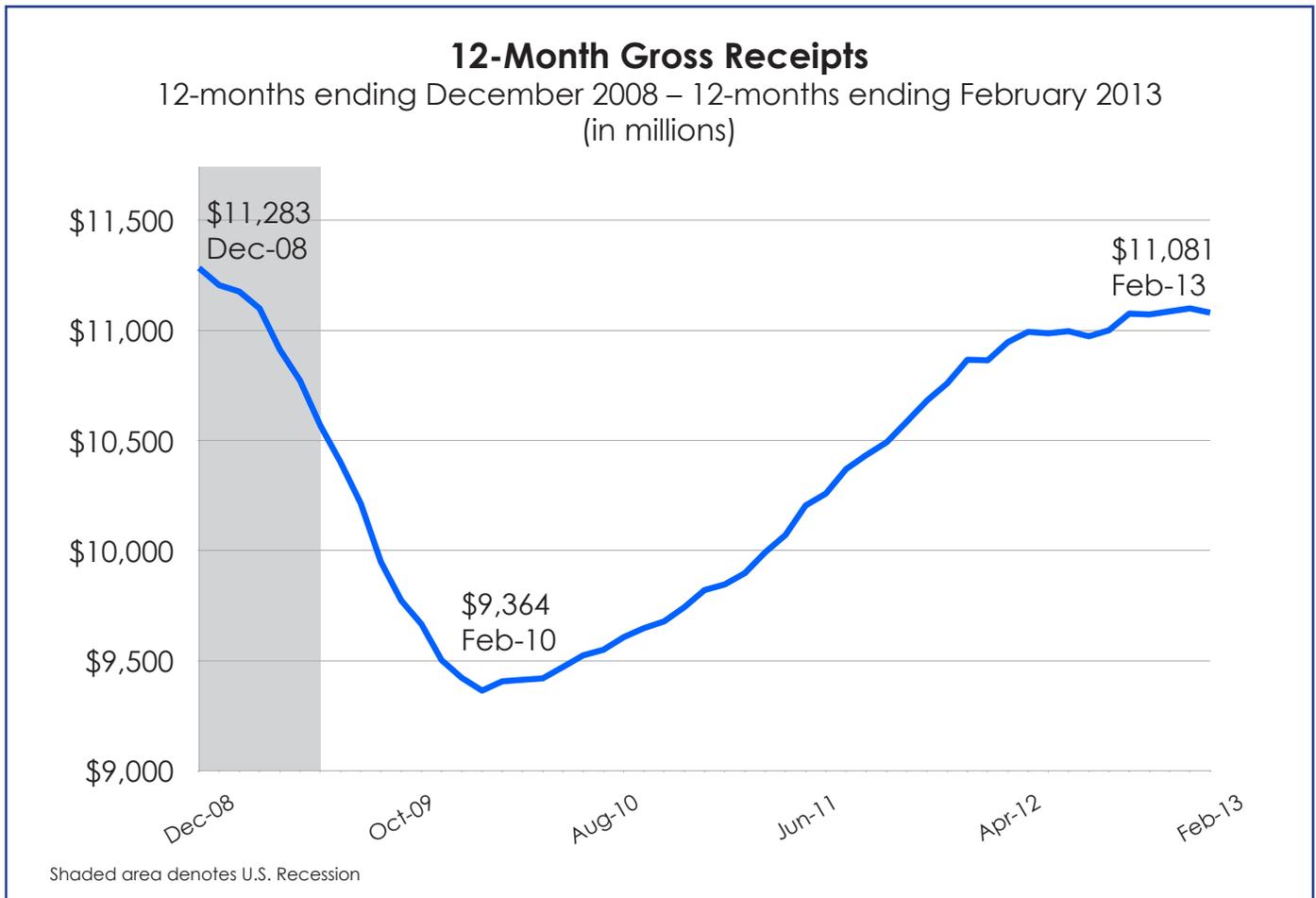
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending March 2012 - February 2013		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	Mar. 2011 - Feb. 2012	Mar. 2012 - Feb. 2013	\$	%
Income Tax	3,768.05	3,988.49	220.44	5.9%
Gross Production	1,027.15	711.32	-315.83	-30.7%
Sales Tax (1)	3,910.53	4,191.28	280.74	7.2%
Motor Vehicle	677.51	697.22	19.71	2.9%
Other Sources (2)	1,483.68	1,492.42	8.74	0.6%
TOTAL REVENUE	10,866.92	11,080.73	213.82	2.0%

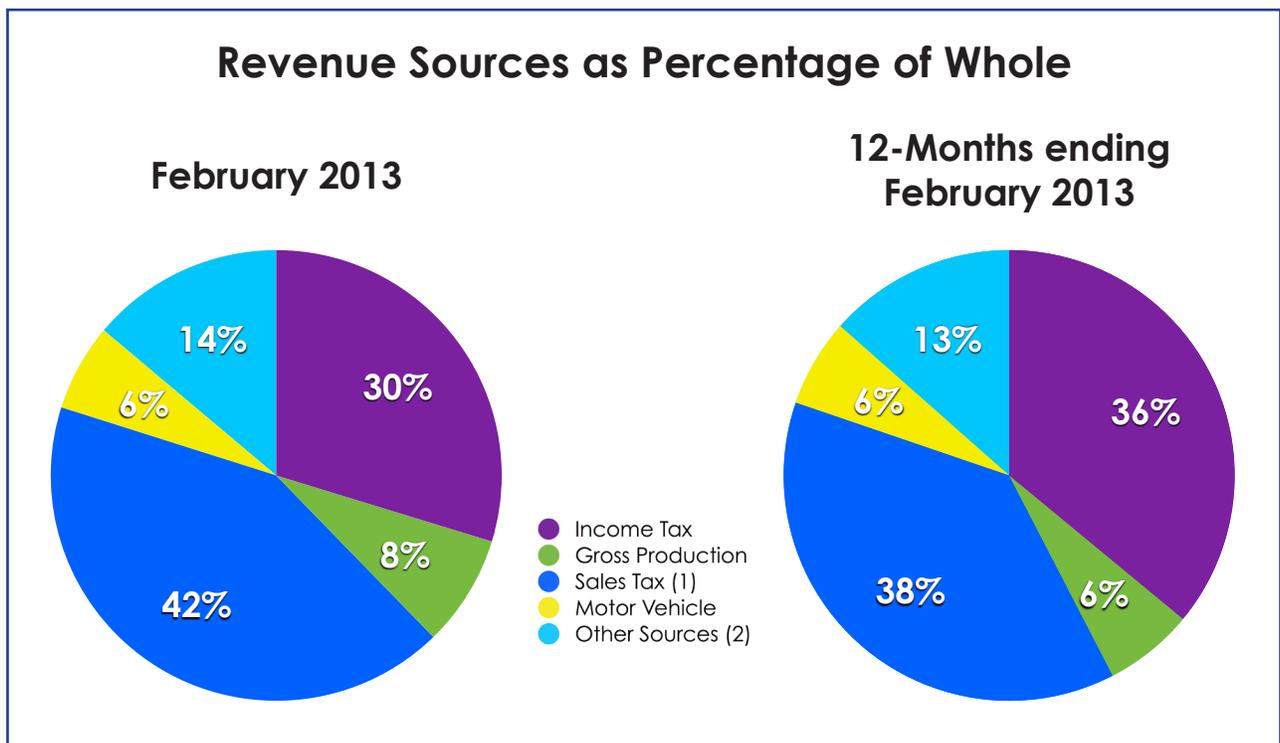
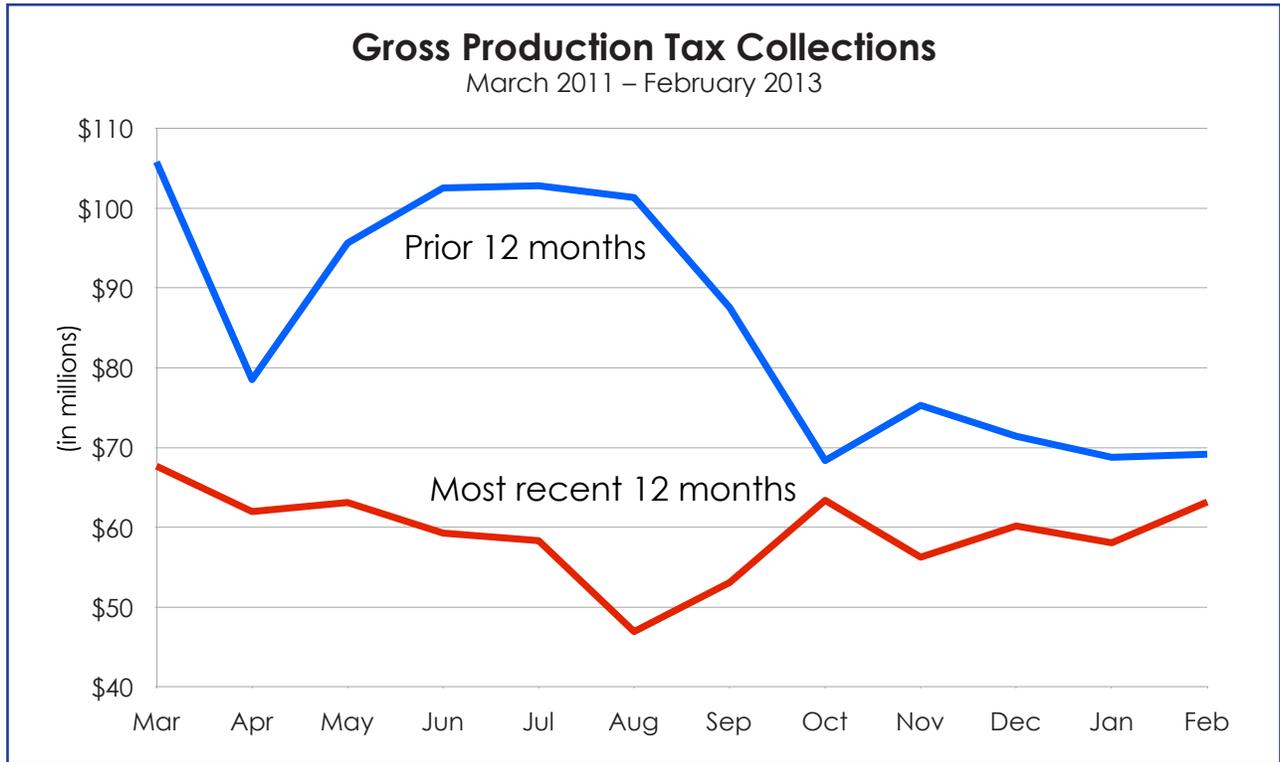
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Gross Receipts to Treasury



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(2) Gross Collections from OTC