



**OKLAHOMA STATE TREASURER
KEN MILLER**

For Immediate Release: August 5, 2015

**Gross Receipts to the Treasury Drop at
Start of New Fiscal Year**

OKLAHOMA CITY – Gross Receipts to the Treasury in July fell 5 percent below collections from the same month of the prior year. This is the third consecutive month and the fourth time in five months the year-over-year comparison has been negative, State Treasurer Ken Miller announced today.

Lower collections from taxes on income and on the production of oil and natural gas provided the downward push in July. Combined personal and corporate income taxes shrank by 5.4 percent, while gross production taxes fell by almost 47 percent.

“The impact of low oil prices continues to make itself known in monthly Gross Receipts to the Treasury,” Miller said. “The resulting increase in unemployment is also something of a factor this month with withholding taxes down by more than 6 percent from the prior year – accounting for the entire drop in personal income tax collections.”

July gross production collections are from oilfield activity in May, when West Texas Intermediate crude oil was selling for about \$60 per barrel in Cushing. Oil prices fell to less than \$45 in late January, rebounded slightly and are now at less than \$50.

Sales tax and motor vehicle tax collections both showed slight growth in July – up by 0.2 percent and 0.6 percent, respectively.

Gross receipts for the past 12 months total \$11.93 billion, with a growth rate of 1.4 percent compared to the prior 12 months. While the rate of growth in 12-month collections has remained positive for almost five years, the current rate is the lowest since November 2010.

In the past 12-months, gross production tax collections are down by almost 24 percent and motor vehicle collections are off by more than 3 percent. Remaining growth positive over the 12 months are income tax collections, at 5.2 percent, and sales tax collections, at 2.5 percent.

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Other indicators

For a third consecutive month, Oklahoma's unemployment rate rose 0.2 percentage points and was set at 4.5 percent in June. The only supersector reporting job losses compared to the prior year was Mining and Logging, which includes the energy sector, down by 5,700. The national unemployment rate was set at 5.3 percent in June.

Oklahoma City metropolitan unemployment increased 0.5 percentage points to 4.3 percent in June, while Tulsa's jobless rate rose 0.4 percentage points to 4.8 percent. Unemployment increased in all but one of the state's 77 counties during June.

The Business Conditions Index for Oklahoma in July remained below growth neutral for a third consecutive month; however, it rose to 48.3 from June's 46.9. Numbers below 50 indicate economic contraction is expected during the next three to six month.

July collections

Receipts for July set gross collections at \$942.23 million, down \$49.98 million or 5 percent from July 2014.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$290.41 million, a decrease of \$16.62 million or 5.4 percent from the previous July.

Personal income tax collections for the month are \$275.75 million, down \$14.66 million or 5 percent from the prior year. Corporate collections are \$14.66 million, down by \$1.97 million or 11.8 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$378.59 million in July. That is \$690,000 or 0.2 percent higher than July 2014.

Gross production taxes on oil and natural gas generated \$41.06 million in July, a decrease of \$36.1 million or 46.8 percent from last July. Compared to June reports, gross production collections are up by \$5.15 million or 14.3 percent.

Motor vehicle taxes produced \$69.15 million, up by \$410,000 or 0.6 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 \$163.03 million during the month. That is \$1.64 million or 1 percent more than last July.

Twelve-month collections

Gross revenue totals \$11.93 billion between August 2014 and July 2015. That is \$169.3 million or 1.4 percent higher than collections from August 2013 to July 2014.

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Gross income taxes generated \$4.39 billion for the period, reflecting an increase of \$216.85 million or 5.2 percent from the prior period.

Personal income tax collections total \$3.79 billion, up by \$158.69 million or 4.4 percent from the prior 12 months. Corporate collections are \$595.47 million for the period, an increase of \$58.16 million or 10.8 percent over the previous period.

Sales taxes for the period generated \$4.47 billion, an increase of \$108.28 million or 2.5 percent from the prior 12 months.

Oil and gas gross production tax collections brought in \$661.75 million during the 12 months, down by \$206.07 million or 23.7 percent from the previous 12 months.

Motor vehicle collections total \$766.66 million for the period. This is a drop of \$24.18 million or 3.1 percent from the trailing period.

Other sources generated \$1.65 billion, up \$74.43 million or 4.7 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 (GRF) allocation report from the Office of Management and Enterprise Services, which provides important information to state agencies for budgetary planning purposes.

The GRF receives just less than 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

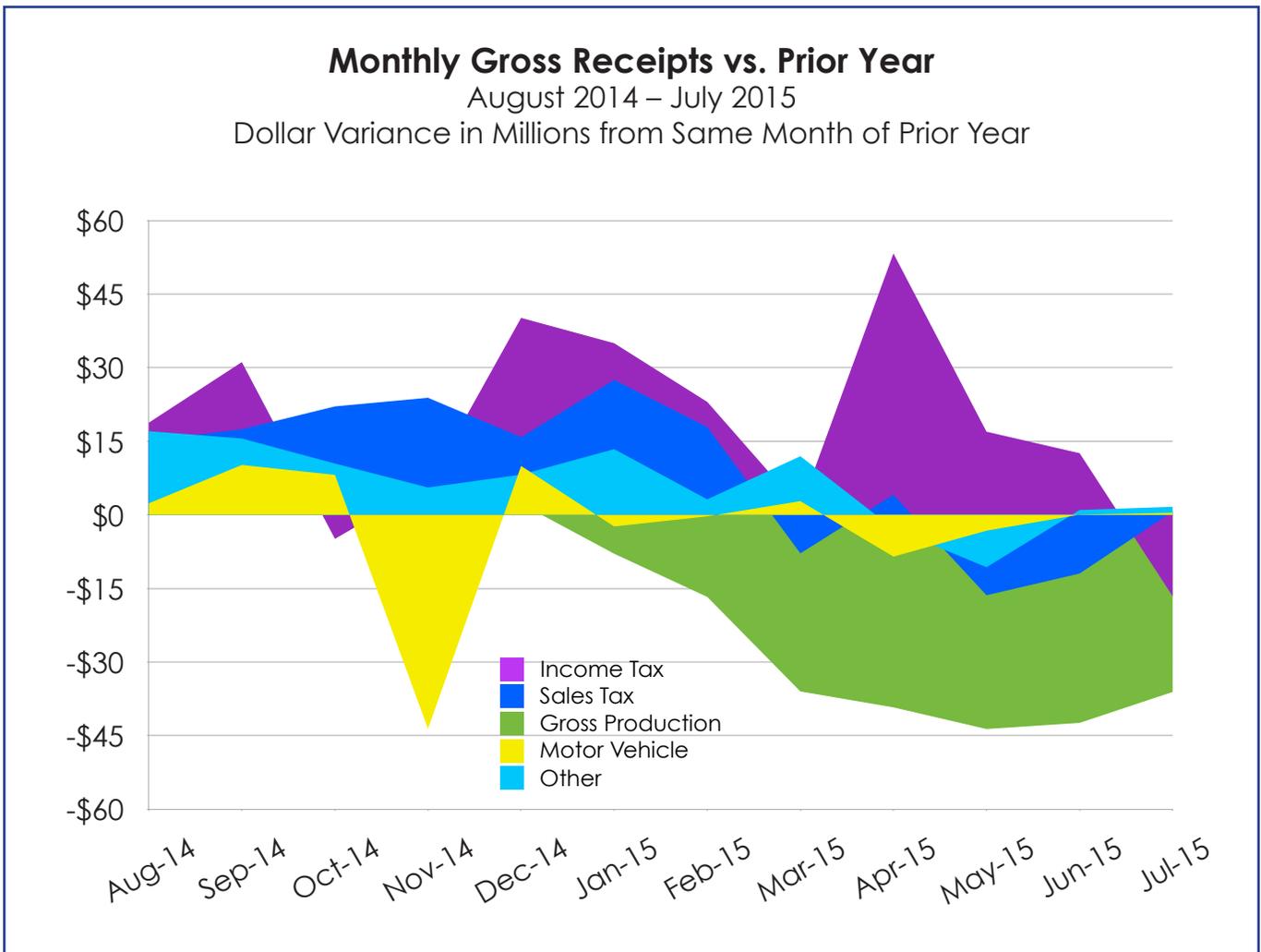
MONTHLY COMPARISON

(In \$ millions)	July-14	July-15	Variance From Prior Year	
			\$	%
Income Tax	307.04	290.41	-16.62	-5.4%
Gross Production	77.16	41.06	-36.10	-46.8%
Sales Tax (1)	377.90	378.59	0.69	0.2%
Motor Vehicle	68.73	69.15	0.41	0.6%
Other Sources (2)	161.39	163.03	1.64	1.0%
TOTAL REVENUE	992.22	942.23	-49.98	-5.0%

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



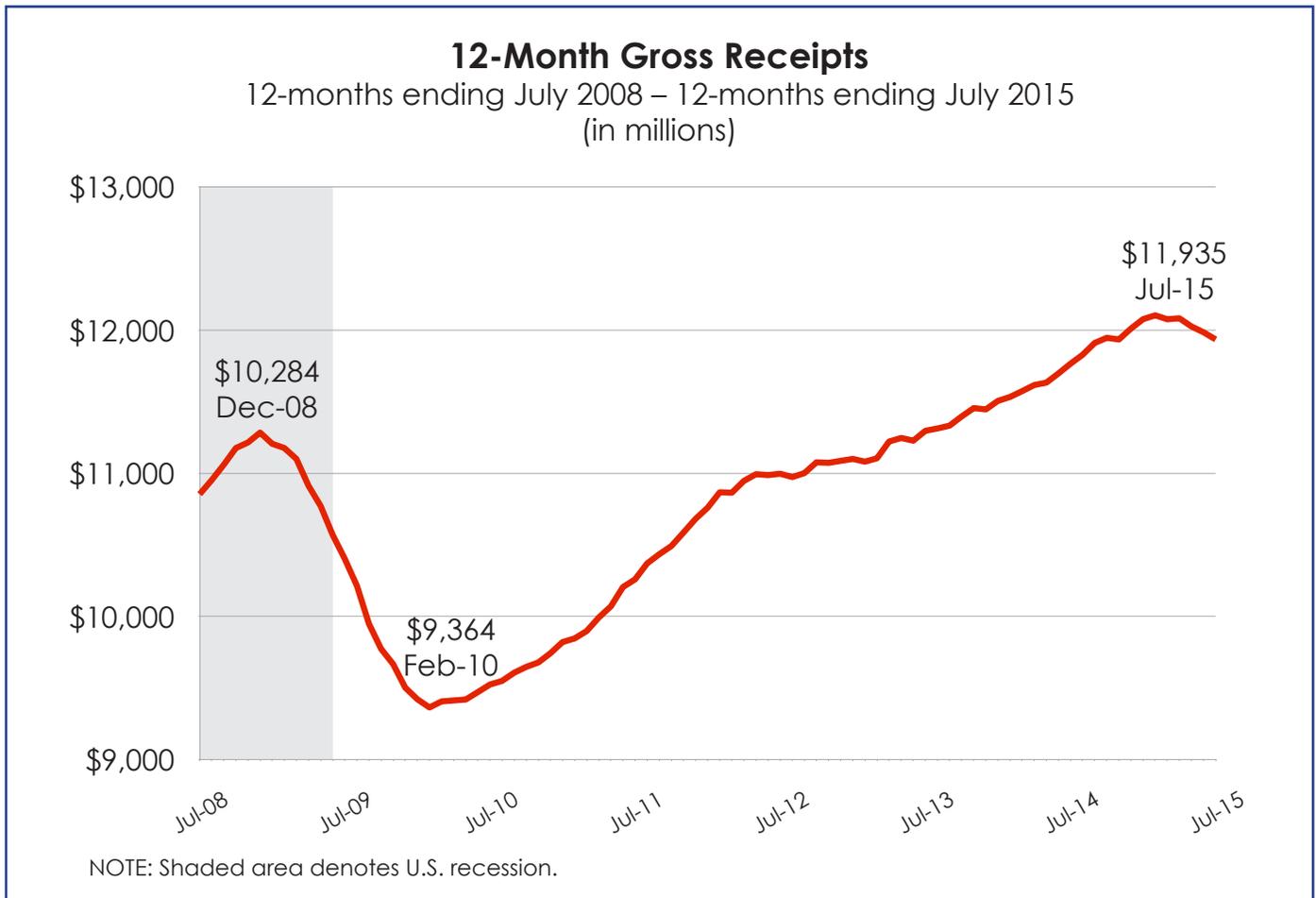
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending August 2014-July 2015		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	Aug 2013 - July 2014	Aug 2014 - July 2015	\$	%
Income Tax	4,170.25	4,387.10	216.85	5.2%
Gross Production	867.82	661.75	-206.07	-23.7%
Sales Tax (1)	4,357.35	4,465.63	108.28	2.5%
Motor Vehicle	790.85	766.66	-24.18	-3.1%
Other Sources (2)	1,579.05	1,653.49	74.43	4.7%
TOTAL REVENUE	11,765.32	11,934.63	169.30	1.4%

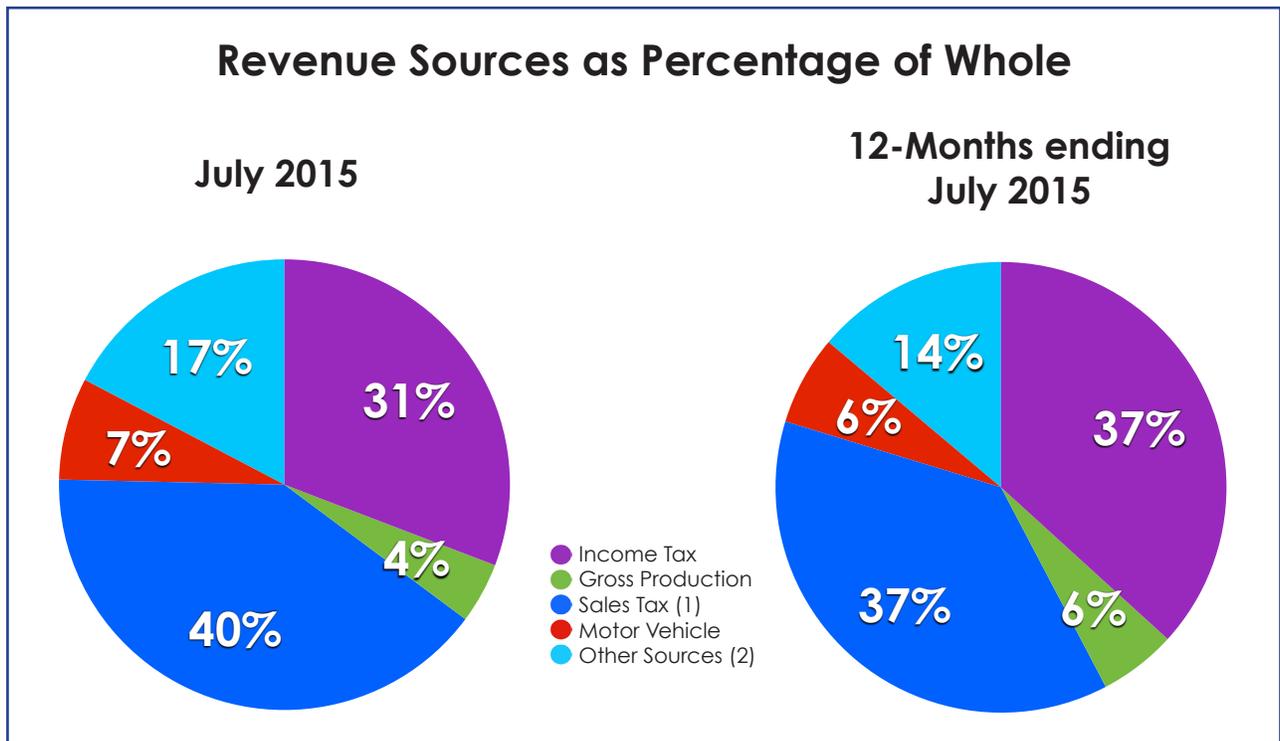
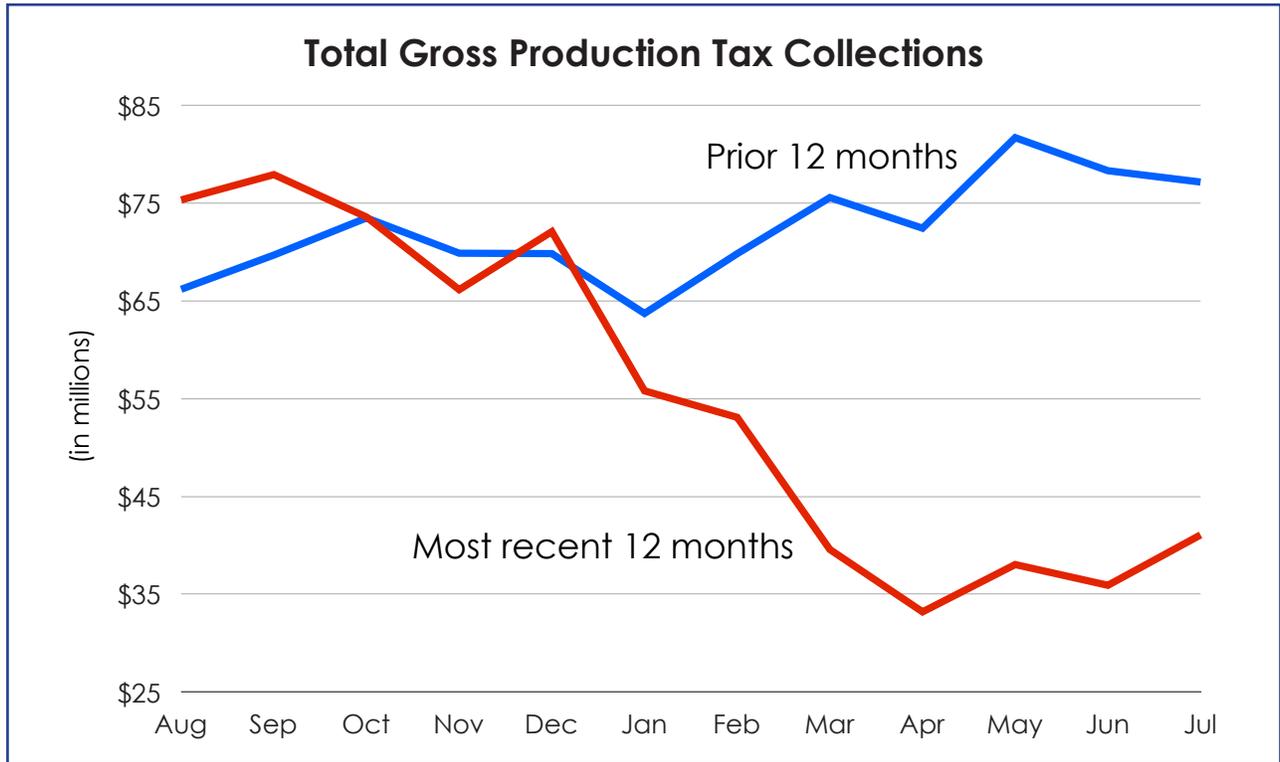
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Gross Receipts to Treasury



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