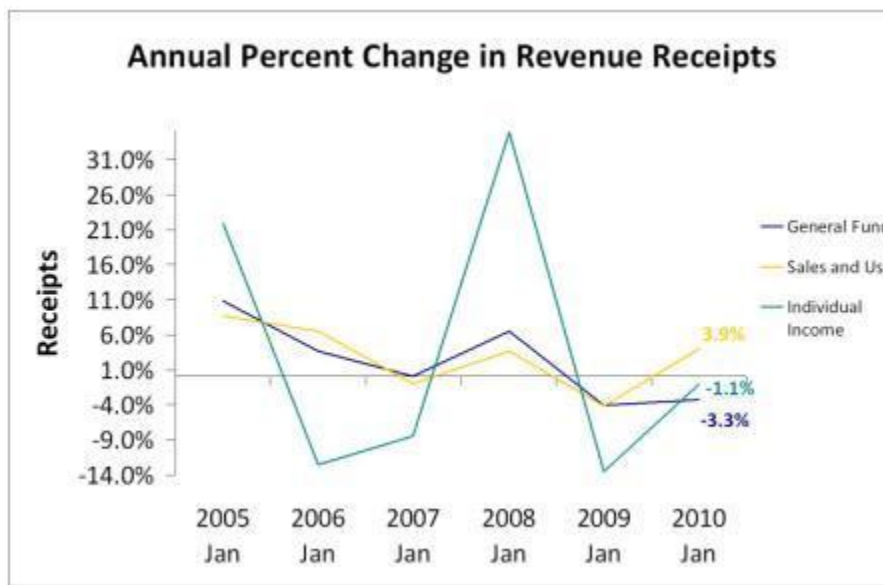


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January General Fund Receipts Down 3.3 Percent
Revenues Can Fall 0.3 Percent and Meet Revised Projections for FY 2010

January 2010 General Fund revenue receipts are down 3.3 percent since last January. According to Office of the State Budget Director, revenue has fallen nine out of the last ten months, but the decline was anticipated by the Consensus Forecasting Group (CFG) and considered during their estimate revisions in December. The CFG assumed revenues would fall 2.7 percent for the entire fiscal year. Revenues can fall 0.3 percent between now and June 30, 2010, and still meet the official revenue estimate for FY 2010.



Source: Office of the State Budget Director, "General Fund and Road Fund Receipts mixed for January 2010" Available: <http://www.osbd.ky.gov/NR/rdonlyres/7A4B43B6-373E-4090-AE0C-ABFBC1509D5D/0/1001TaxReceipt.pdf>

Combined, sales and income tax receipts make up approximately 75 percent of general fund revenues. Individual income tax revenue is down 1.1 percent from January 2009, and sales and use tax revenue is up 3.9 percent, but down 4.1 percent for this fiscal year. This decline, although anticipated, highlights the fact that Kentucky is still feeling the effects of the national recession.

To access this issue and archives of the Kentucky Economic Watch, visit: http://www.kyyouth.org/Issue_Areas/budget/KentuckyEconomicWatch.html.

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