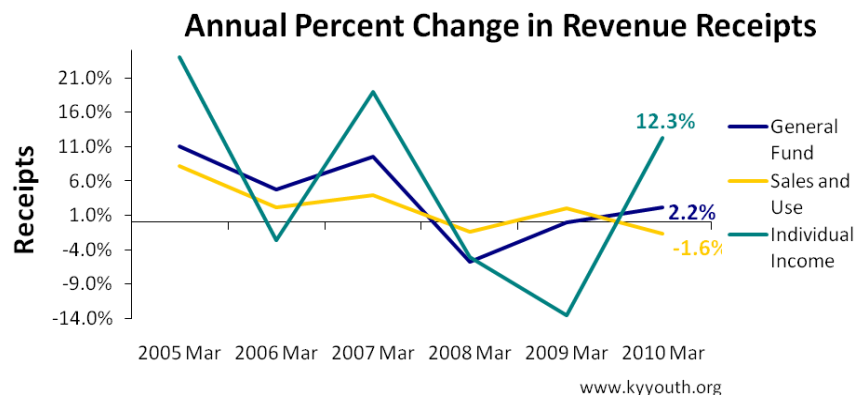


March General Fund Receipts Increased 2.2 Percent

Revenues Can Fall 0.9 Percent and Meet Revised Projections for FY 2010

A significant increase in individual income tax receipts contributed to a growth of 2.2 percent in the March General Fund revenue receipts, compared to March 2009. This is in line with the December 2009 revenue estimates from the Consensus Forecasting Group. They anticipated an improvement in individual income tax revenues in the second half of FY 2010 that might offset some losses that occurred in the first part of the year. Despite this, sales and use tax receipts have continued to decline, indicating remaining weakness in the consumer sector, according to State Budget Director, Mary Lassiter.

Revenues can fall 0.9 percent between now and June 30, 2010, and still meet the official revenue estimate for FY 2010, according to a statement from the Office of State Budget Director released today.



SOURCE: Office of the State Budget Director, "General Fund and Road Fund Receipts mixed for March 2010" Available: <http://www.osbd.ky.gov/NR/rdonlyres/38A3ED09-F6B8-40AE-A28E-EE693991ADAA/0/1003TaxReceipt.pdf>

Combined, sales taxes and income taxes make up approximately 75 percent of General Fund revenues. Sales and use tax revenue is down 1.6 percent for the month, and down 4.3 percent for the year. Individual income tax collections increased 12.3 percent for the month, but are down 5.2 percent for the year.

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