



**OKLAHOMA STATE TREASURER
KEN MILLER**

For Immediate Release: January 7, 2016

Gross Receipts to the Treasury Shrink During 2015

OKLAHOMA CITY – Gross Receipts to the Treasury during the 2015 calendar year are less than the prior calendar year, the first time that has happened since the end of the Great Recession in 2009, State Treasurer Ken Miller announced today.

Annual Gross Receipts to the Treasury contracted by 3 percent compared to calendar year 2014, and – at \$11.65 billion – are the lowest 12-month total since May 2014. The calendar year reduction in collections compares to annual growth rates ranging from 2.5 percent to 9.6 percent between 2010 and 2014. During 2009, collections shrank by 15.9 percent compared to 2008.

“Gross collections show all four major revenue streams were impacted by the downturn in the energy industry,” Miller said. “After slowing a little last month, the downward trend of revenue collections accelerated in December.”

Gross Receipts to the Treasury for December are \$948.9 million, down by more than \$93 million, or almost 9 percent, from December 2014. It is the smallest December bottom line since 2010.

Monthly collections from oil and natural gas production taxes have been lower than the same month of the prior year for 12 consecutive months. December gross production collections are almost 48 percent lower than last December. Monthly receipts are based on production activity from October when the average price of benchmark West Texas Intermediate crude oil was \$46.22 per barrel.

All major tax categories in December show total collections less than the same month of the prior year. Across-the-board contraction has been the story for three consecutive months, with one primary exception due to non-economic factors. In November, gross income tax collections were temporarily boosted by the tax commission’s PAYRight tax amnesty program.

Other indicators

Oklahoma’s seasonally-adjusted unemployment rate was set at 4.2 percent in November, down by one-tenth of one percentage point from October, according to the Oklahoma Employment Security Commission (OESC).

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Lynn Gray, OESC Director of Economic Research and Analysis, said the drop in the jobless rate does not signal a strengthening economy. Instead, he said the reduction is due to a declining number of continuing unemployment insurance claims as job seekers are beginning to exhaust their unemployment benefits.

Over the past year, Mining & Logging – including the energy sector – reported the loss of 12,900 jobs in the state, while Manufacturing showed a reduction of 7,900 jobs.

The national unemployment rate was set at 5 percent in November.

The Business Conditions Index for Oklahoma in December remained below growth neutral for an eighth consecutive month and fell to 35.5 from November's 37.5. Numbers below 50 indicate economic contraction is expected during the next three to six months.

December collections

Receipts for December set gross collections at \$948.89 million, down \$93.1 million or 8.98 percent from December 2014.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$353.37 million, a decrease of \$27.42 million or 7.2 percent from the previous November.

Personal income tax collections for the month are \$297.28 million, down by \$19.06 million, or 6 percent from the prior year. Corporate collections are \$56.09 million, down by \$8.36 million or 13 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$367.02 million in December. That is \$17.29 million or 4.5 percent less than December 2014.

Gross production taxes on oil and natural gas generated \$37.71 million in December, a decrease of \$34.37 million or 47.7 percent from last December. Compared to November reports, gross production collections are up by \$7.56 million or 25.1 percent.

Motor vehicle taxes produced \$62.41 million, down by \$3.2 million or 4.9 percent from the same month of last year.

Other collections, consisting of about 60 different sources including taxes on fuel, tobacco, horse race gambling and alcoholic beverages, produced \$128.39 million during the month. That is \$10.82 million or 7.8 percent less than last December.

Twelve-month collections

Gross revenue totals \$11.65 billion during calendar year 2015. That is \$361.75 million or 3 percent lower than collections from calendar year 2014.

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Gross income taxes generated \$4.42 billion for the period, reflecting an increase of \$159.37 million or 3.7 percent from the prior year.

Personal income tax collections total \$3.79 billion, up by \$71.54 million or 1.9 percent from the prior year. Corporate collections are \$627.4 million for the period, an increase of \$87.83 million or 16.3 percent over the previous period.

Sales taxes for the period generated \$4.38 billion, a decrease of \$71.82 million or 1.6 percent from the prior year.

Oil and gas gross production tax collections brought in \$474.26 million during the calendar year, down by \$409.56 million or 46.3 percent from 2014.

Motor vehicle collections total \$763.92 million for the period. This is a drop of \$13.94 million or 1.8 percent from the trailing period.

Other sources generated \$1.61 billion, down \$25.81 million or 1.6 percent from the previous year.

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 other state funds.

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Gross Receipts to Treasury

PRELIMINARY

MONTHLY COMPARISON

(In \$ millions)	December-14	December-15	Variance From Prior Year	
			\$	%
Income Tax	380.78	353.37	-27.42	-7.2%
Gross Production	72.09	37.71	-34.37	-47.7%
Sales Tax (1)	384.31	367.02	-17.29	-4.5%
Motor Vehicle	65.60	62.41	-3.20	-4.9%
Other Sources (2)	139.21	128.39	-10.82	-7.8%
TOTAL REVENUE	1,041.99	948.89	-93.10	-8.9%

(1) Includes Collections for Counties and Municipalities

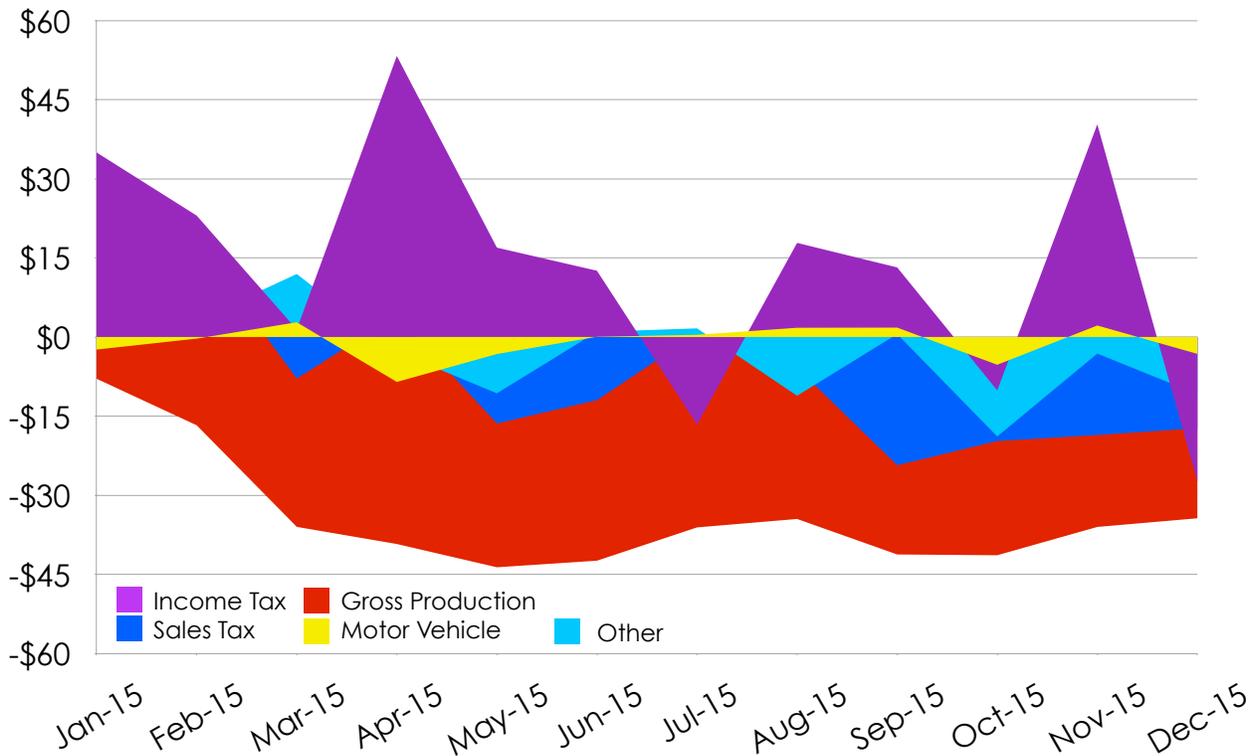
(2) Gross Collections from OTC

Details may not sum due to rounding.

Monthly Gross Receipts vs. Prior Year

January – December 2015

Dollar Variance in Millions from Same Month of Prior Year



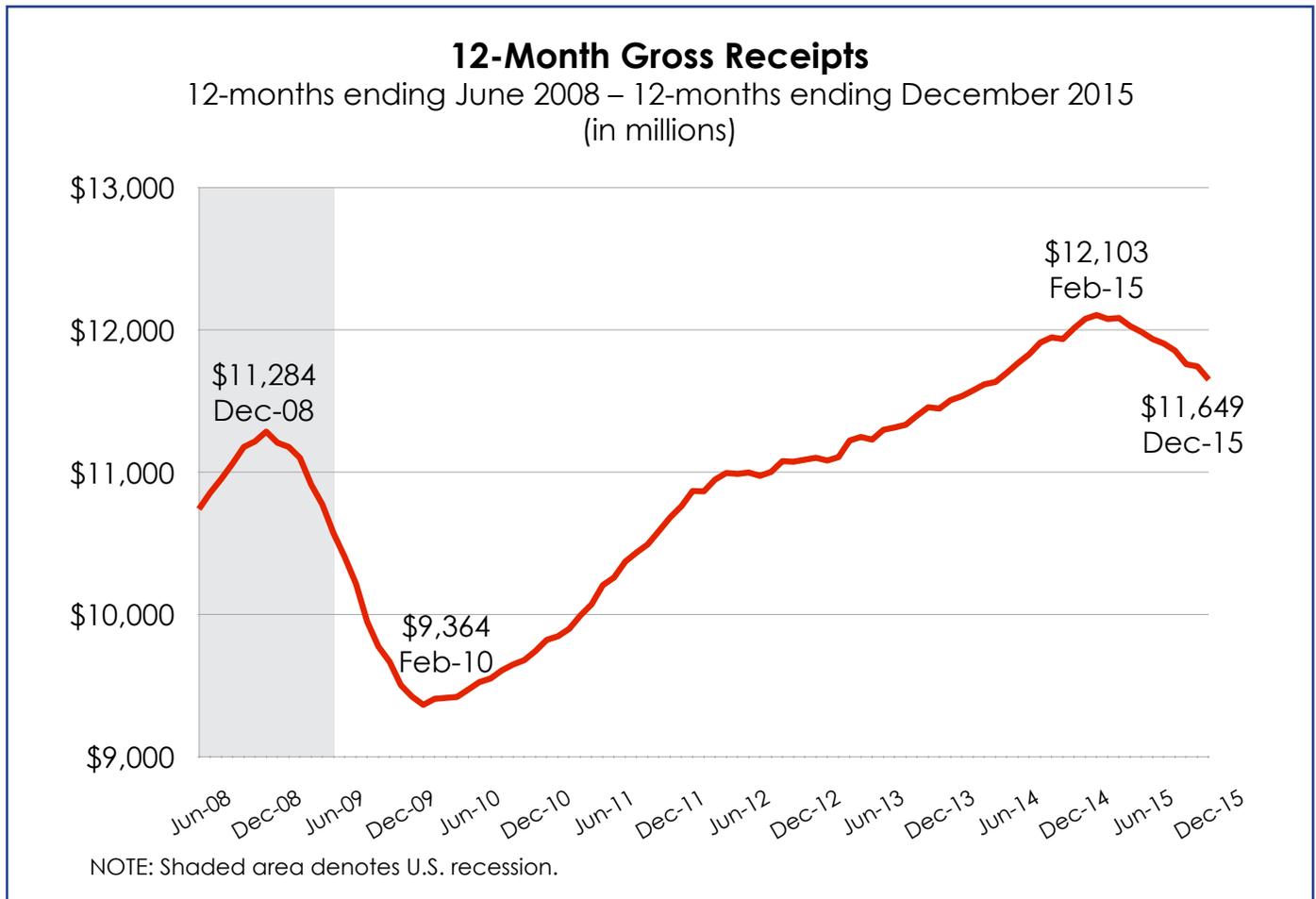
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending January 2015 - December 2015		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	Jan 2014 - Dec 2014	Jan 2015 - Dec 2015	\$	%
Income Tax	4,261.54	4,420.91	159.37	3.7%
Gross Production	883.82	474.26	-409.56	-46.3%
Sales Tax (1)	4,451.68	4,379.87	-71.82	-1.6%
Motor Vehicle	777.86	763.92	-13.94	-1.8%
Other Sources (2)	1,635.88	1,610.07	-25.81	-1.6%
TOTAL REVENUE	12,010.77	11,649.02	-361.75	-3.0%

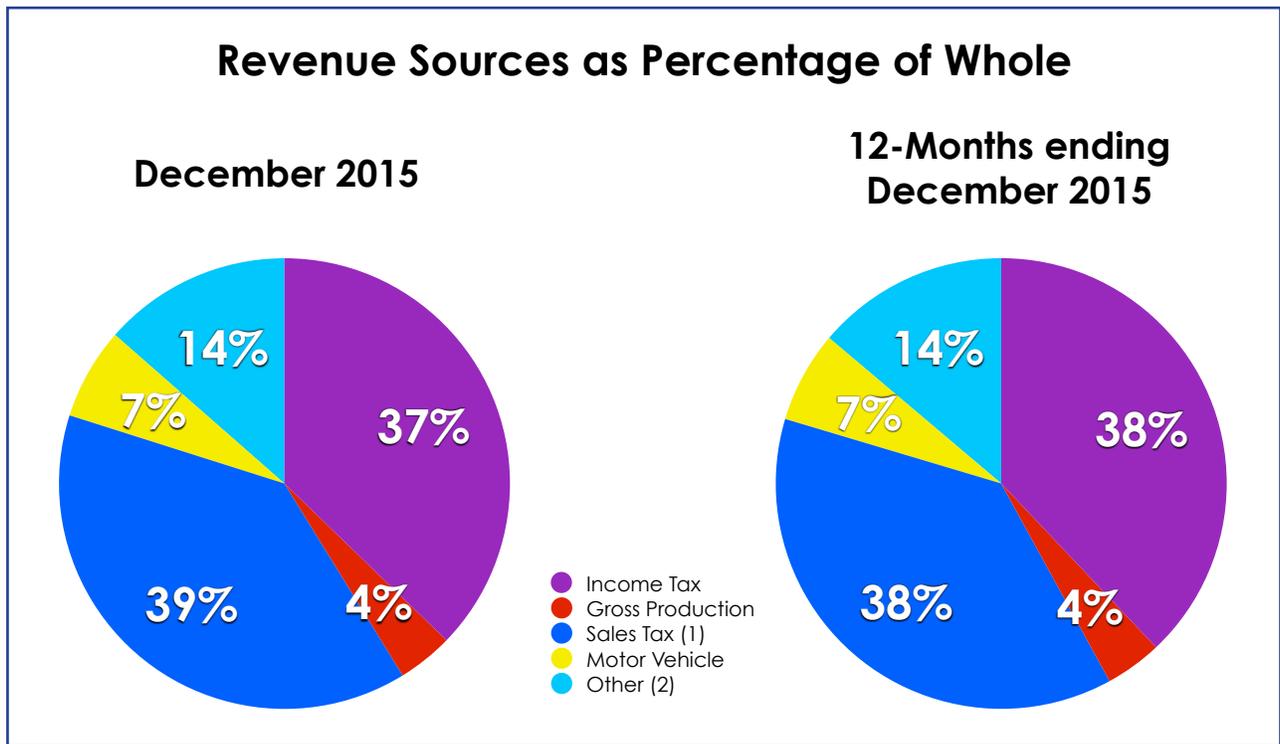
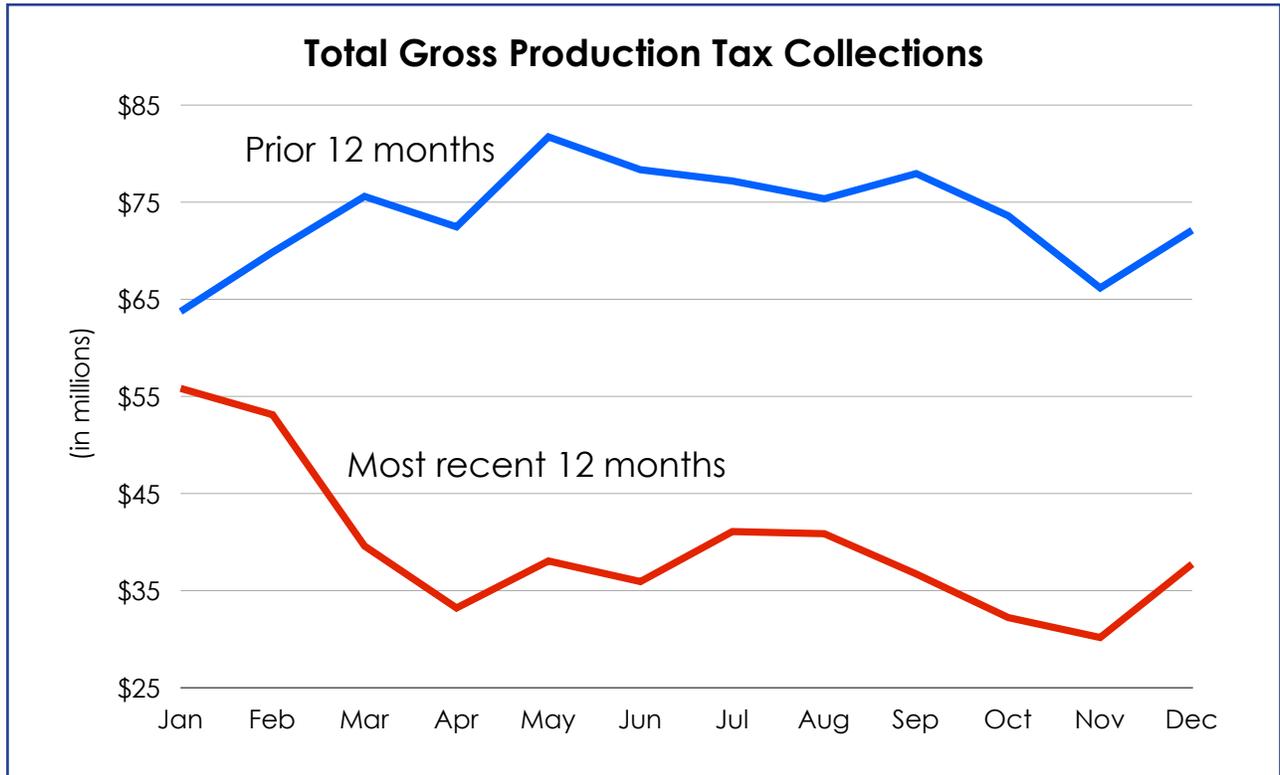
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Gross Receipts to Treasury



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