



**OKLAHOMA STATE TREASURER
KEN MILLER**

For Immediate Release: March 3, 2016

**February Gross Receipts to the Treasury Show
Continued Contraction**

OKLAHOMA CITY – Monthly Gross Receipts to the Treasury in February continued the trend of falling revenue collections for a 10th consecutive month, State Treasurer Ken Miller announced today.

February receipts of \$758.5 million are down by almost \$90 million, or more than 10 percent, compared to February of last year. It is the lowest February total since 2011 as the Oklahoma economy was recovering from the Great Recession.

“With oil prices off their 2014 peak by some 70 percent and our state’s anchor industry in the midst of correction, we have apparently not yet found the bottom and continue to see the spillover effect in all major revenue streams,” Miller said.

Twelve-month Gross Receipts to the Treasury shrank by more than 5 percent compared to the previous 12-month period, and – at \$11.4 billion – is the lowest 12-month total since October 2013.

Monthly collections from oil and natural gas production taxes have been lower than the same month of the prior year for one year and two months. February gross production collections are more than 45 percent lower than last February. Monthly receipts are based on production activity from December when the average price of benchmark West Texas Intermediate crude oil was \$37.19 per barrel. Average oil prices were below that level in both January and February.

Gross Receipts to the Treasury do not directly relate to state government funding, as they include total collections before payment of income tax refunds, sales tax remittance to cities and counties, and allocation of motor vehicle collections to school districts, among others.

After monthly apportionment is complete, the Office of Management and Enterprise Services will determine the across-the-board cuts necessary to avoid deficit spending in March as required by the state constitution.

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Other indicators

The Oklahoma's Business Conditions Index remained below growth neutral for a 10th consecutive month. The index from a monthly survey of supply managers fell to 39.4 in February from 48.3 in January. Numbers below 50 indicate economic contraction is expected during the next three to six month.

Unemployment figures for Oklahoma haven't been updated since December, when the jobless rate was set at 4.1 percent. January and February unemployment numbers will be released later in March. With a number of energy company layoffs underway, the rate is expected to climb in the coming months.

February collections

Receipts for February set gross collections at \$758.5 million, down \$86.6 million or 10.2 percent from February 2015.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$246.7 million, a decrease of \$23 million or 8.5 percent from the previous February.

Personal income tax collections for the month are \$238.2 million, down by \$15.8 million, or 6.2 percent from the prior year. Corporate collections are \$8.5 million, down by \$7.2 million or 46 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$321.6 million in February. That is \$31.6 million or 8.9 percent less than February 2015.

Gross production taxes on oil and natural gas generated \$28.6 million in February, a decrease of \$24.5 million or 46.1 percent from last February. Compared to January reports, gross production collections are up by \$3.4 million or 13.5 percent.

Motor vehicle taxes produced \$60.1 million, up by \$1.4 million or 2.4 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 \$101.4 million during the month. That is \$9 million or 8.2 percent less than last February.

Twelve-month collections

Gross revenue totals \$11.4 billion during the past 12 months. That is \$689.8 million or 5.7 percent lower than collections from the previous 12 months.

Gross income taxes generated \$4.3 billion for the March 2015-February 2016 period, reflecting an increase of \$5.3 million or 0.1 percent from the March 2014-February 2015 period.

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Personal income tax collections total \$3.7 billion, up by \$10.4 million or 0.3 percent from the prior year. Corporate collections are \$579.8 million for the period, a decrease of \$5.1 million or 0.9 percent over the previous period.

Sales taxes for the period generated \$4.3 billion, a decrease of \$180 million or 4 percent from the prior year.

Oil and gas gross production tax collections brought in \$419.2 million during the past 12 months, down by \$439.9 million or 51.2 percent from the previous 12-month period.

Motor vehicle collections total \$764.1 million for the period. This is a drop of \$11.1 million or 1.4 percent from the trailing period.

Other sources generated \$1.6 billion, down \$64.1 million or 3.9 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

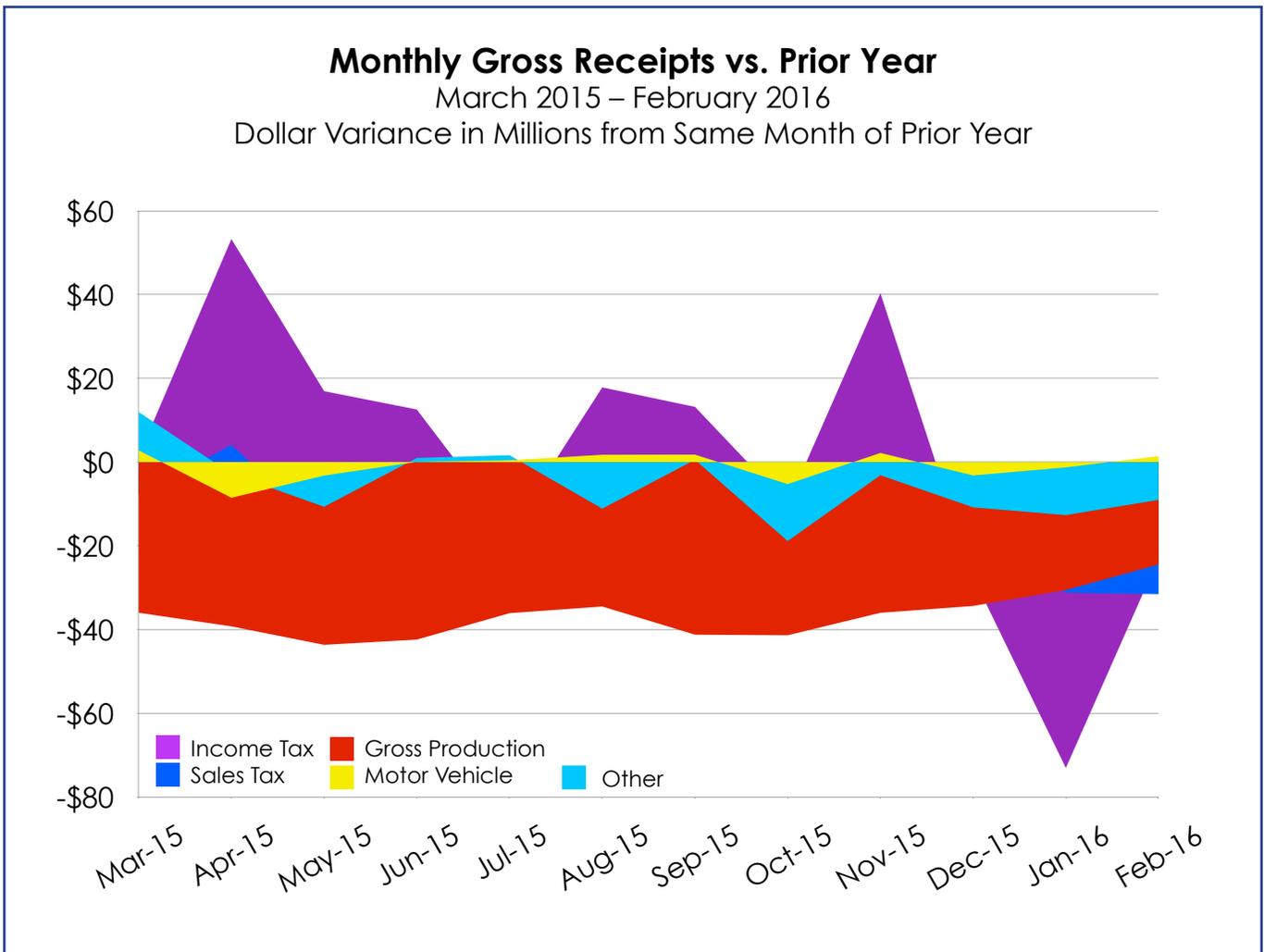
MONTHLY COMPARISON

(In \$ millions)			Variance From Prior Year	
	February-15	February-16	\$	%
Income Tax	269.65	246.68	-22.98	-8.5%
Gross Production	53.09	28.64	-24.46	-46.1%
Sales Tax (1)	353.17	321.63	-31.55	-8.9%
Motor Vehicle	58.70	60.10	1.40	2.4%
Other Sources (2)	110.48	101.44	-9.04	-8.2%
TOTAL REVENUE	845.10	758.48	-86.61	-10.2%

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



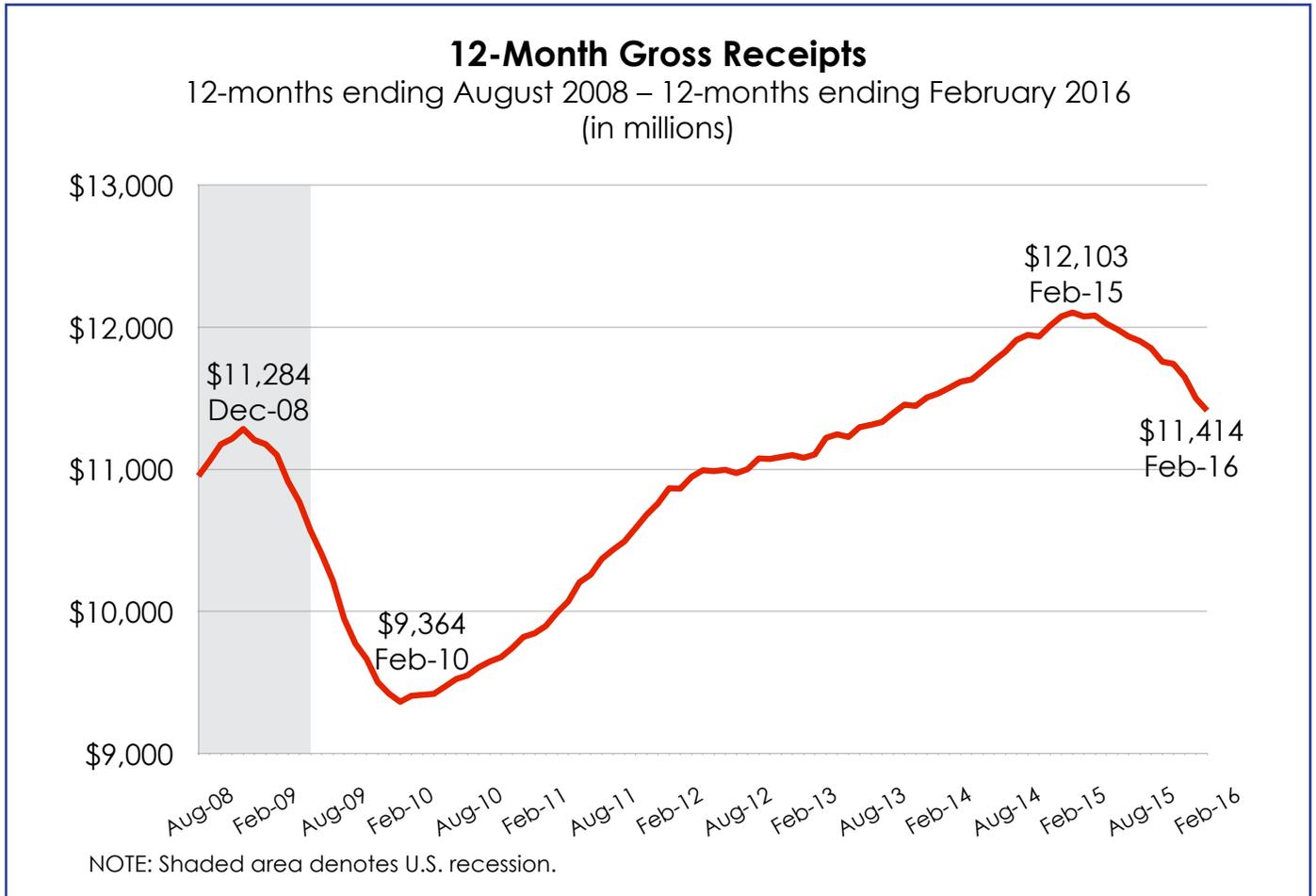
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending March 2015 - February 2016		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	Mar 2014 - Feb 2014	Mar 2015 - Feb 2015	\$	%
Income Tax	4,319.53	4,324.86	5.32	0.1%
Gross Production	859.16	419.24	-439.92	-51.2%
Sales Tax (1)	4,497.09	4,317.10	-179.99	-4.0%
Motor Vehicle	775.17	764.05	-11.12	-1.4%
Other Sources (2)	1,652.41	1,588.36	-64.05	-3.9%
TOTAL REVENUE	12,103.36	11,413.60	-689.76	-5.7%

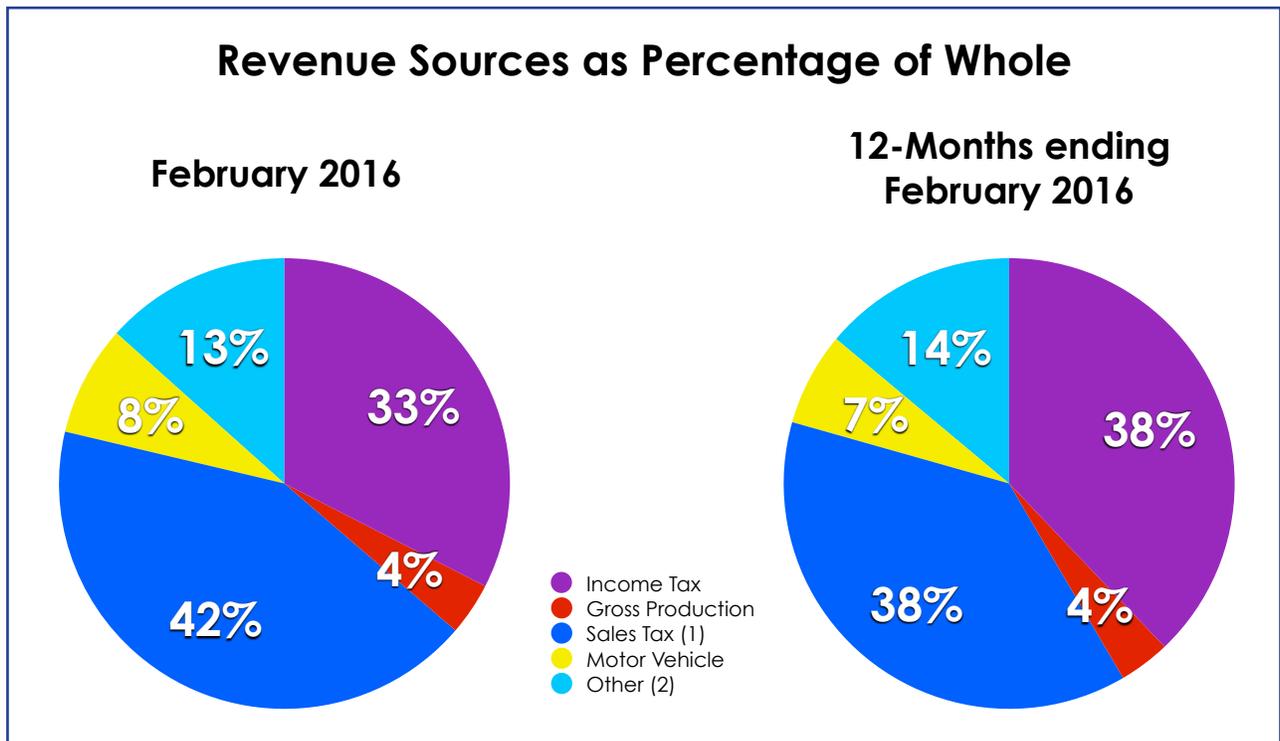
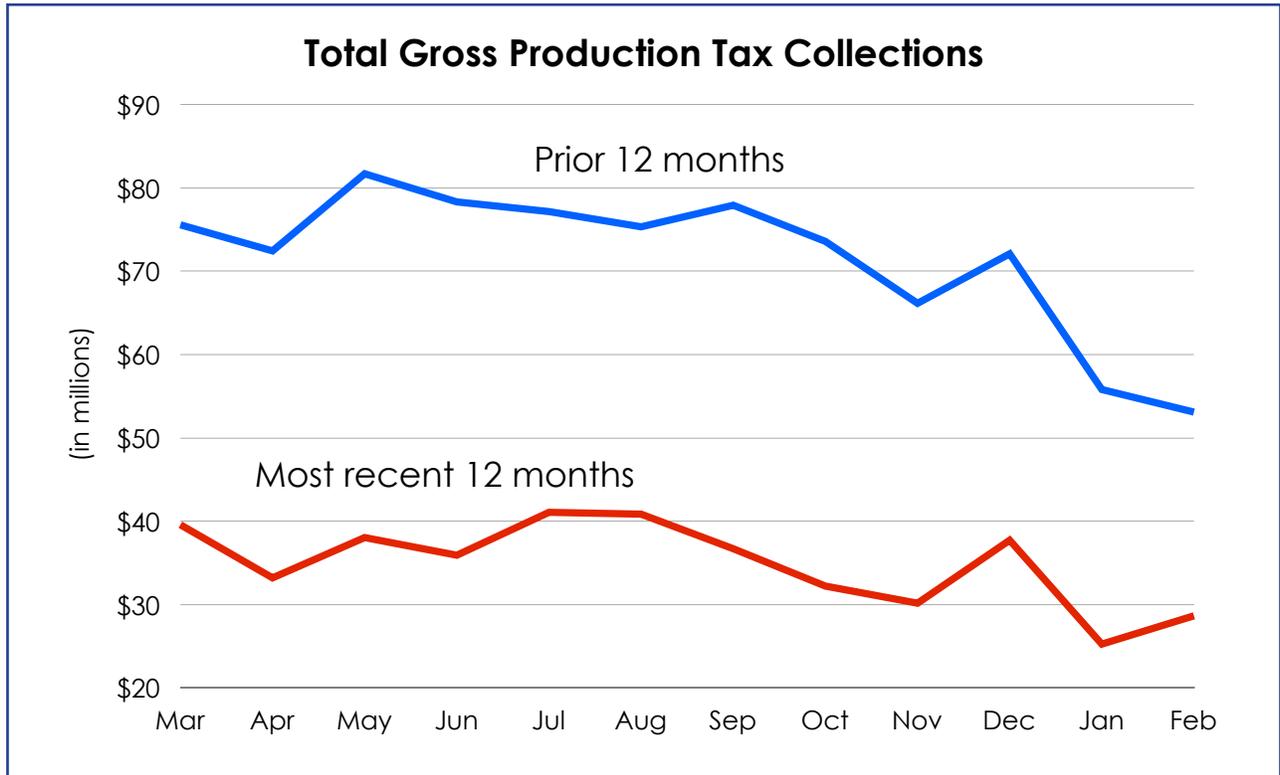
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Gross Receipts to Treasury



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