



## OKLAHOMA STATE TREASURER RANDY MCDANIEL

**For Immediate Release: January 8, 2021**

### **Gross Receipts Show Slowdown in 2020**

**OKLAHOMA CITY** – As the state endured a pandemic, high unemployment and an oil downturn, Gross Receipts to the Treasury show the Oklahoma economy pulled back by almost four percent during calendar year 2020, State Treasurer Randy McDaniel announced today.

Collections from all sources in calendar year 2020 reached \$13.19 billion, down by \$520.9 million, or 3.8 percent, from calendar year 2019. Gross receipts from December total \$1.16 billion, below December receipts from a year ago by 4.8 million, or 0.4 percent.

“The state’s economy declined in 2020, but was bolstered by the resourcefulness of Oklahomans,” Treasurer McDaniel said. “The state has exceeded expectations during a year most of us would like to forget. Hopefully, we will see improvement in the months ahead as the vaccine becomes widely available.”

During the past year, the gross production tax on oil and gas took the biggest hit – down by almost \$400 million and close to 40 percent. The remaining major revenue streams, including income, sales and use, and motor vehicle taxes, remained mostly flat. Individual income tax was down less than two percent for the year, while sale tax shrank by almost four percent. Motor vehicle taxes also were down for the year by more than two percent.

On the positive side, corporate income tax and use tax on out-of-state purchases were up by some 15 percent and 10 percent, respectively.

During December, combined income tax, gross production, and motor vehicle collections were down compared to December 2019 by rates ranging from 18.6 percent for gross production to 0.8 percent for combined income tax. Combined sales and use tax collections grew by 3.6 percent, due primarily to almost 30 percent growth in use tax receipts.

#### **Other economic indicators**

The unemployment rate in Oklahoma was set at 5.9 percent in November, according to the U.S. Bureau of Labor Statistics. The state’s jobless rate is down from 6.1 percent in October, but up from 3.4 percent in November 2019. The seasonally adjusted number of Oklahomans listed as jobless was reported as 109,364. The U.S. unemployment rate was set at 6.7 percent in November.

The Oklahoma Business Conditions Index in December rose above growth neutral after dipping in November. The December index was set at 55.9, compared to 49.4 in November. Numbers above 50 indicate economic expansion is expected during the next three to six months.

## **December collections**

Compared to gross receipts from December 2019, collections in December 2020 showed:

- Total December 2020 gross collections are \$1.16 billion, down \$4.8 million, or 0.4 percent.
- Gross income tax collections, a combination of individual and corporate income taxes, generated \$424.8 million, down by \$3.2 million, or 0.8 percent.
  - Individual income tax collections are \$341.7 million, an increase of \$22.8 million, or 7.2 percent.
  - Corporate collections are \$83.2 million, down by \$26 million, or 23.8 percent.
- Combined sales and use tax collections, including remittances on behalf of cities and counties, total \$485.2 million – up by \$16.7 million, or 3.6 percent.
  - Sales tax collections total \$406.4 million, a decrease of \$864,666, or 0.2 percent.
  - Use tax receipts, collected on out-of-state purchases including internet sales, generated \$78.9 million, an increase of \$17.6 million, or 28.7 percent.
- Gross production taxes on oil and natural gas total \$60.5 million, a decrease of \$13.8 million, or 18.6 percent.
- Motor vehicle taxes produced \$66.8 million, down by \$3.2 million, or 4.5 percent.
- Other collections composed of some 60 different sources including taxes on fuel, tobacco, medical marijuana, and alcoholic beverages, produced \$122.5 million – down by \$1.3 million, or 1.1 percent.
  - The medical marijuana tax produced \$5.1 million, up by \$1.8 million, or 53.8 percent from December 2019.

## **2020 collections**

Combined gross receipts for the 2020 calendar year compared to the 2019 calendar year:

- Gross revenue totals \$13.19 billion. That is \$520.9 million, or 3.8 percent, below collections from the previous year.
- Gross income taxes generated \$4.77 billion, reflecting an increase of \$14.5 million, or 0.3 percent.
  - Individual income tax collections total \$4.11 billion, down by \$69.1 million, or 1.7 percent.

- Corporate collections are \$657.1 million, an increase of \$83.6 million, or 14.6 percent.
- Combined sales and use taxes generated \$5.47 billion, a drop of \$112.1 million, or 2 percent.
  - Gross sales tax receipts total \$4.68 billion, down by \$187.2 million, or 3.8 percent.
  - Use tax collections generated \$790.1 million, an increase of \$75.1 million, or 10.5 percent.
- Oil and gas gross production tax collections generated \$630.1 million, down by \$396.3 million, or 38.6 percent.
- Motor vehicle collections total \$775.8 million. This is a decrease of \$18.8 million, or 2.4 percent.
- Other sources generated \$1.55 billion, down by \$8.3 million, or 0.5 percent.
  - Medical marijuana taxes generated \$56.2 million, up by \$32.1 million, or 132.8 percent, from 2019 collections of \$24.2 million.

### **About Gross Receipts to the Treasury**

The monthly Gross Receipts to the Treasury report, developed by the state treasurer's office, provides a timely and broad view of the state's economy.

It is released in conjunction with the General Revenue Fund report from the Office of Management and Enterprise Services, which provides information to state agencies for budgetary planning purposes.

The General Revenue Fund, the state's main operating account, receives less than half of the state's gross receipts with the remainder paid in rebates and refunds, remitted to cities and counties, and apportioned to other state funds.

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### **For more information contact:**

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# Gross Receipts to Treasury

PRELIMINARY

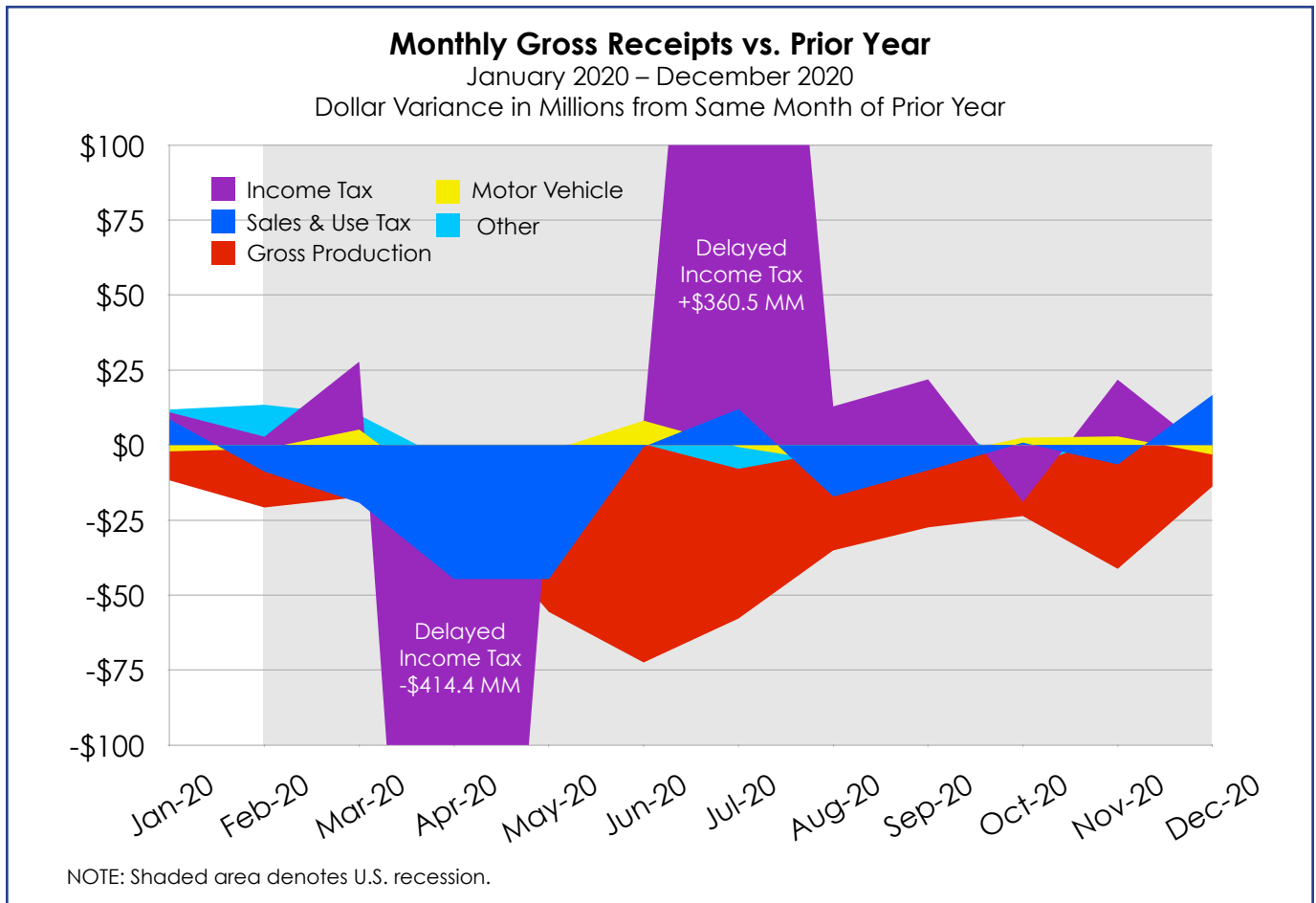
## MONTHLY COMPARISON

(In \$ millions)			Variance From Prior Year	
	December-19	December-20	\$	%
<b>Total Income Tax</b>	<b>428.0</b>	<b>424.8</b>	<b>(3.2)</b>	<b>-0.8%</b>
<i>Individual</i>	318.8	341.7	22.8	7.2%
<i>Corporate</i>	109.2	83.2	(26.0)	-23.8%
<b>Sales &amp; Use Tax (1)</b>	<b>468.5</b>	<b>485.2</b>	<b>16.7</b>	<b>3.6%</b>
<i>Sales Tax</i>	407.3	406.4	(0.9)	-0.2%
<i>Use Tax</i>	61.3	78.9	17.6	28.7%
<b>Gross Production</b>	<b>74.3</b>	<b>60.5</b>	<b>(13.8)</b>	<b>-18.6%</b>
<b>Motor Vehicle</b>	<b>70.0</b>	<b>66.8</b>	<b>(3.2)</b>	<b>-4.5%</b>
<b>Other Sources (2)</b>	<b>123.8</b>	<b>122.5</b>	<b>(1.3)</b>	<b>-1.1%</b>
<b>TOTAL REVENUE</b>	<b>1,164.6</b>	<b>1,159.8</b>	<b>(4.8)</b>	<b>-0.4%</b>

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.



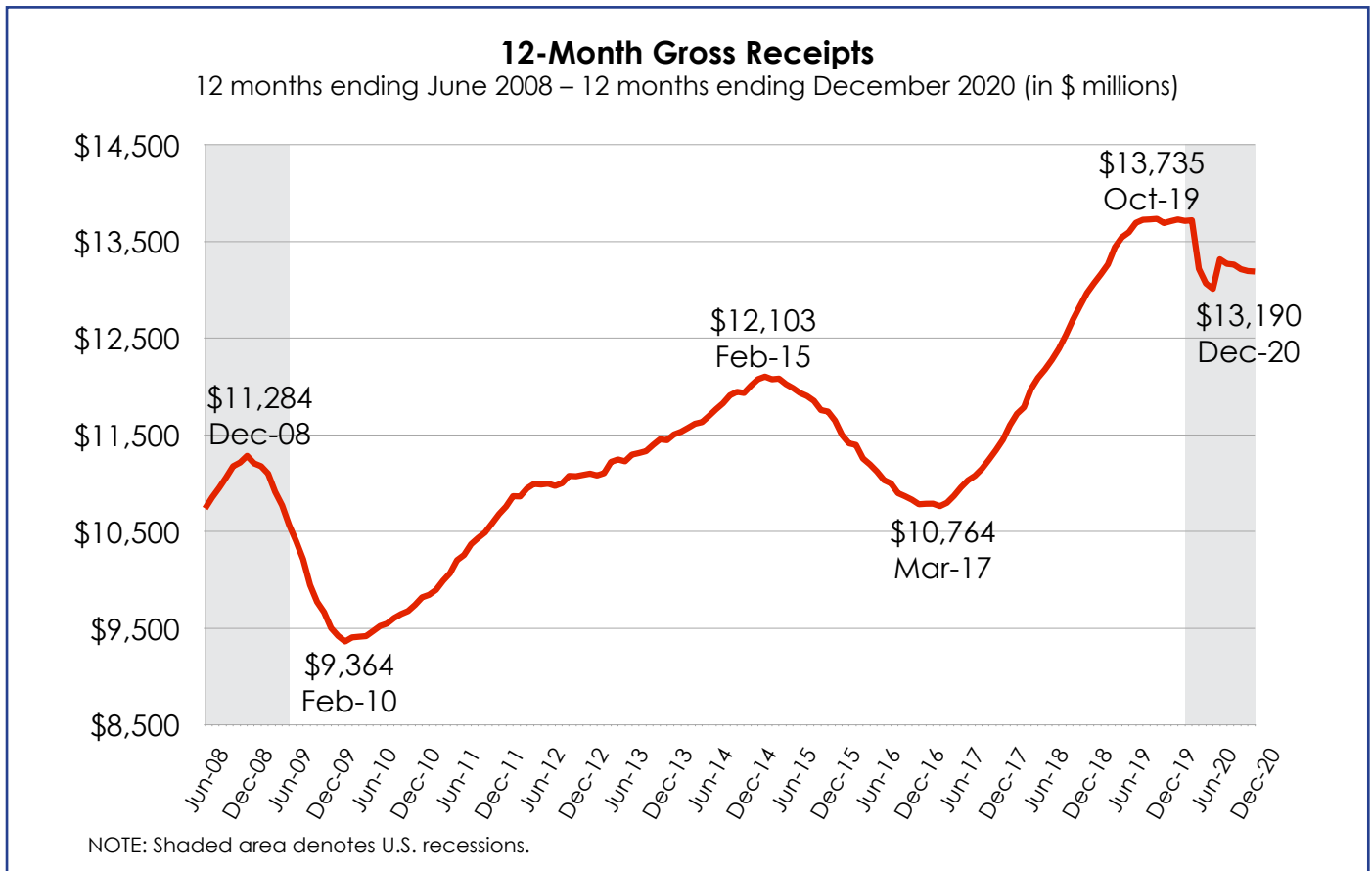
# Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending Jan 20 - Dec 20		Variance From Prior Year	
	Prior Year Jan 19 - Dec 19	Current Year Jan 20 - Dec 20	\$	%
<b>Total Income Tax</b>	<b>4,753.9</b>	<b>4,768.4</b>	<b>14.5</b>	<b>0.3%</b>
<i>Individual</i>	4,180.5	4,111.3	(69.1)	-1.7%
<i>Corporate</i>	573.5	657.1	83.6	14.6%
<b>Sales and Use Tax (1)</b>	<b>5,581.3</b>	<b>5,469.2</b>	<b>(112.1)</b>	<b>-2.0%</b>
<i>Sales Tax</i>	4,866.3	4,679.1	(187.2)	-3.8%
<i>Use Tax</i>	715.0	790.1	75.1	10.5%
<b>Gross Production</b>	<b>1,026.4</b>	<b>630.1</b>	<b>(396.3)</b>	<b>-38.6%</b>
<b>Motor Vehicle</b>	<b>794.5</b>	<b>775.8</b>	<b>(18.8)</b>	<b>-2.4%</b>
<b>Other Sources (2)</b>	<b>1,555.2</b>	<b>1,546.9</b>	<b>(8.3)</b>	<b>-0.5%</b>
<b>TOTAL REVENUE</b>	<b>13,711.3</b>	<b>13,190.4</b>	<b>(520.9)</b>	<b>-3.8%</b>

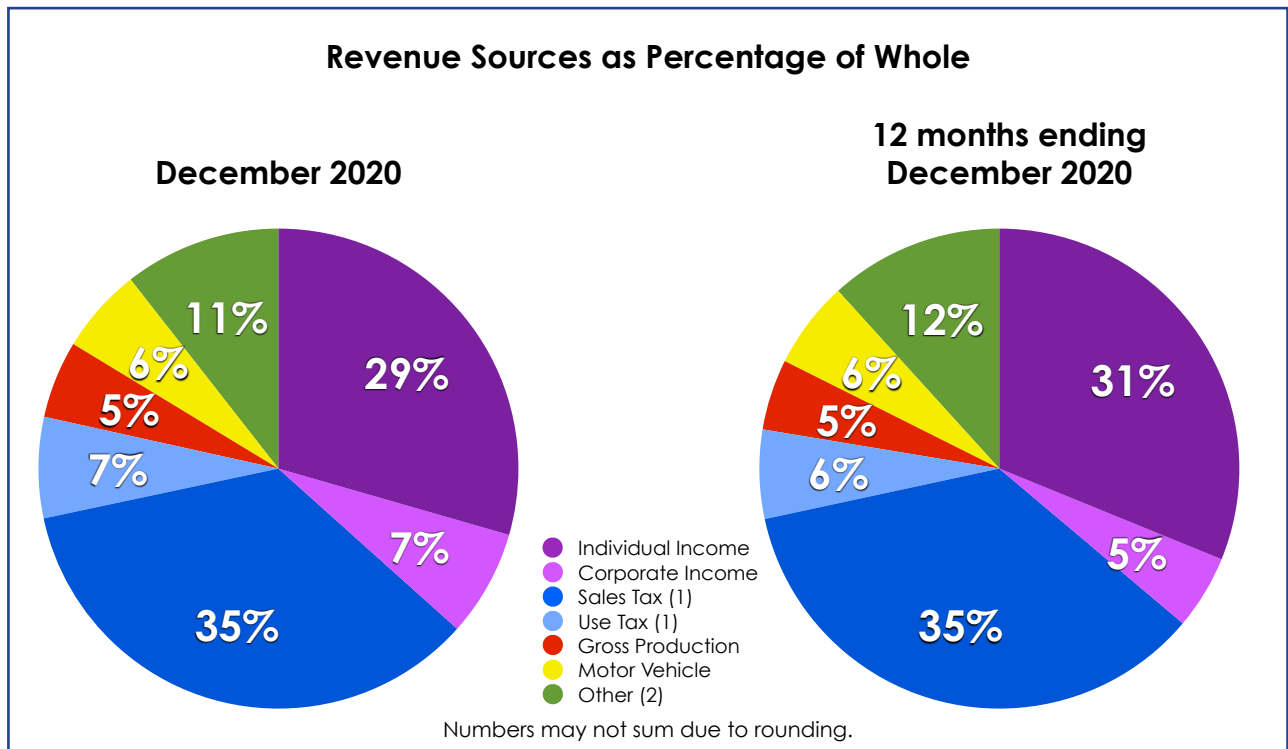
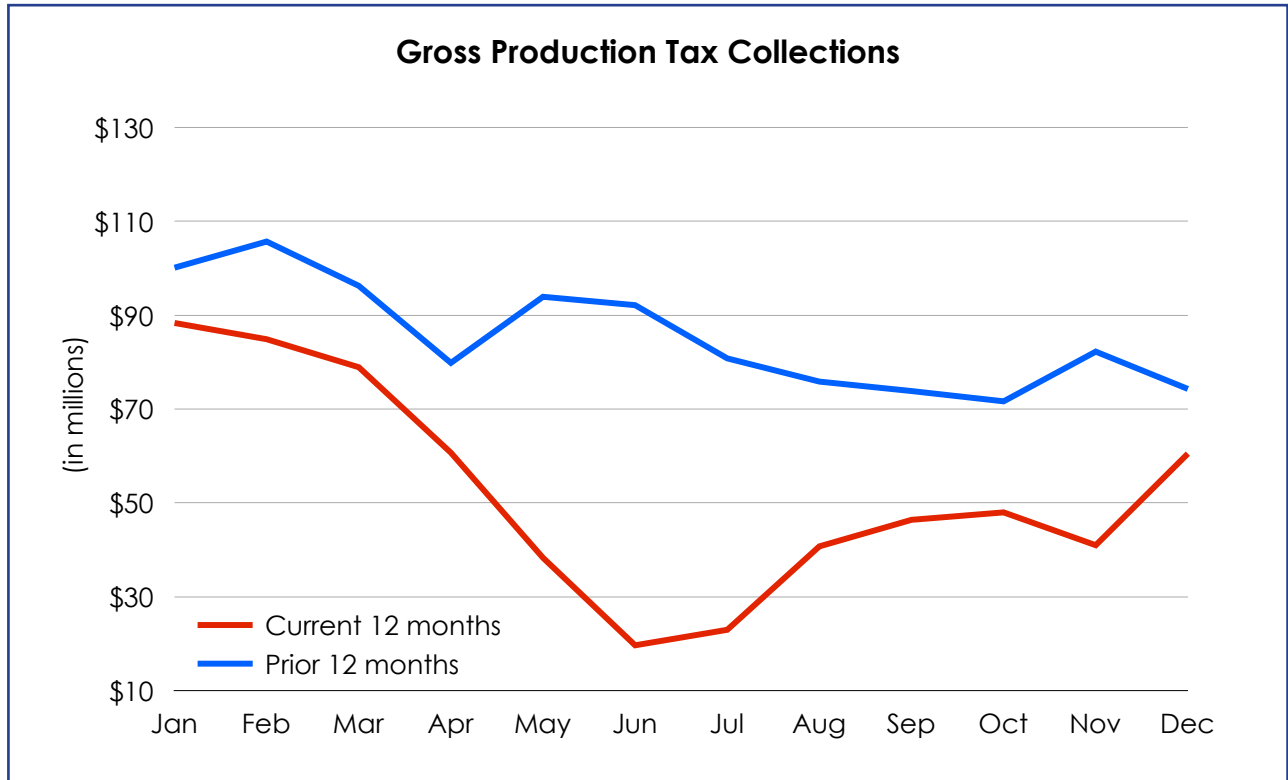
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# Gross Receipts to Treasury



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(2) Gross Collections from OTC