



Gross Receipts to the Treasury

September 2020

Oklahoma State Treasurer Randy McDaniel

Economic Trends Continue in September

Three of the state’s four major revenue streams show contraction in September’s Gross Receipts to the Treasury report, similar to the picture seen in total collections during the past 12 months, State Treasurer Randy McDaniel announced on Tuesday.

September receipts from all sources total \$1.15 billion, down by almost \$8 million, or just less than one percent, from September of last year. Over the past year, gross receipts total \$13.26 billion, down by some \$468 million, or 3.4 percent, compared to the previous 12-months.

“Considering the major challenges the state faces, Oklahoma’s economy has been weathering the pandemic-driven downturn relatively well,” said Treasurer McDaniel. “We still have reasons for concern in the months ahead, but the perseverance reflected in the September report is encouraging.”

Gross receipts from combined sales and use tax, oil and gas production, and motor vehicle taxes are down by a total of \$40.2 million. The extraction

tax on oil and gas accounts for the lion’s share with a \$27.4 million reduction.

The gross production tax, the state’s severance tax on oil and natural gas, is well below collections from the

prior year for a thirteenth consecutive month. Oil and gas prices remain

depressed, while drilling activity and oil field employment levels are at historic lows.

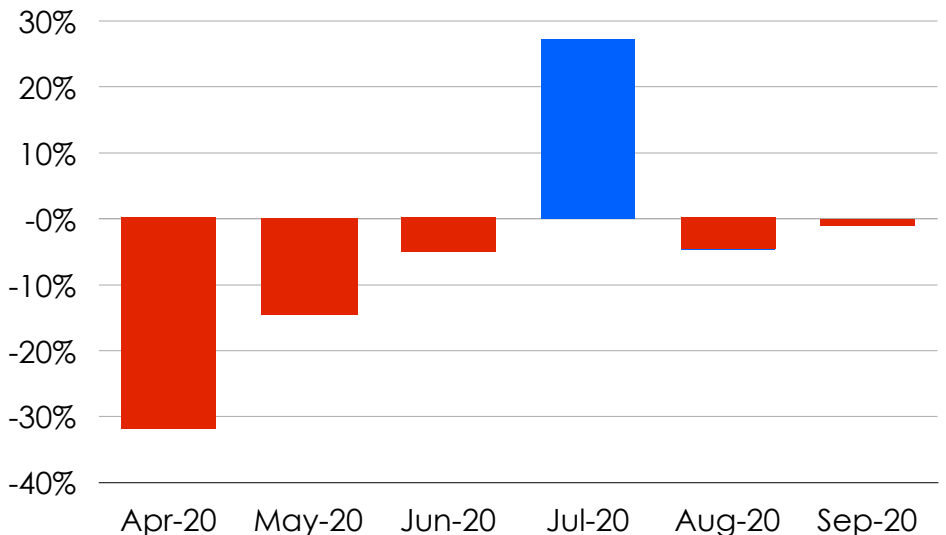
Combined individual and corporate income tax receipts are the lone bright spot, up by \$21.9

million, or 5.1 percent, for the month.

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“Oklahoma has been weathering the pandemic-driven downturn relatively well.”

Monthly Gross Receipts Change from Prior Year



Source: Office of the State Treasurer



September Gross Receipts

However, the influx of withholding taxes from unemployment payments appears to be having a noteworthy impact on the bottom line.

Other economic indicators

The Oklahoma Business Conditions Index in September remained above growth neutral for a fourth month, following three months of numbers indicating economic contraction. The September index was set at 58.6,

down from 61.8 in August. Numbers above 50 indicate economic expansion is expected during the next three to six months.

The unemployment rate in Oklahoma was reported as 5.7 percent in August, down from 7.1 percent in July. The seasonally adjusted number of Oklahomans listed as jobless was reported as 104,800, according to figures released by the U.S.

Bureau of Labor Statistics. The U.S. unemployment rate was listed at 8.4 percent in August.

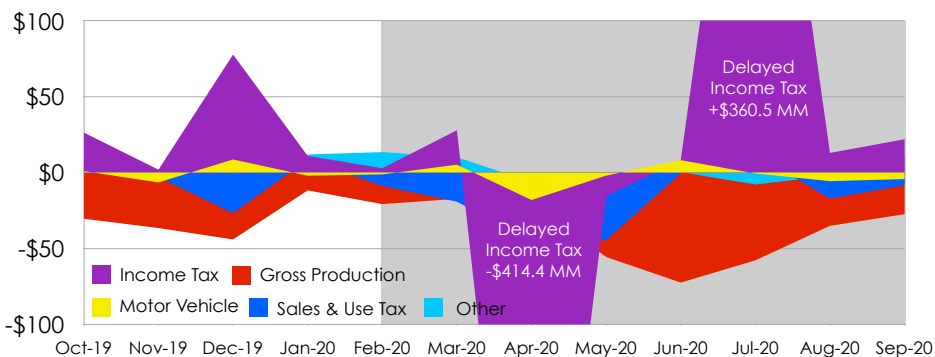
September collections

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

- Total September 2020 gross collections are \$1.15 billion, down \$7.9 million, or 0.7 percent.
- Gross income tax collections, a combination of individual and corporate income taxes, generated \$452.7 million, an increase of \$21.9 million, or 5.1 percent.
 - Individual income tax collections are \$346.4 million, up by \$8.9 million, or 2.6 percent.
 - Corporate collections are \$106.4 million, an increase of \$13 million, or 13.9 percent.
- Combined sales and use tax collections, including remittances on behalf of cities and counties, total \$457.8 million – a reduction of \$8.4 million, or 1.8 percent.
 - Sales tax collections total \$393 million, a decrease of \$15.1 million, or 3.7 percent.
 - Use tax receipts, collected on out-of-state purchases including online sales, generated \$64.8

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Monthly Gross Receipts vs. Prior Year
Dollar change (in \$ millions) from prior year by revenue source



(In \$ millions)			Variance From Prior Year	
	September-19	September-20	\$	%
Total Income Tax	430.8	452.7	21.9	5.1%
Individual	337.4	346.4	8.9	2.6%
Corporate	93.4	106.4	13.0	13.9%
Sales & Use Tax (1)	466.2	457.8	(8.4)	-1.8%
Sales Tax	408.1	393.0	(15.1)	-3.7%
Use Tax	58.1	64.8	6.7	11.5%
Gross Production	73.8	46.4	(27.4)	-37.2%
Motor Vehicle	63.3	58.9	(4.3)	-6.8%
Other Sources (2)	123.1	133.5	10.4	8.4%
TOTAL REVENUE	1,157.2	1,149.3	(7.9)	-0.7%

(1) Includes Collections for Counties and Municipalities
(2) Gross Collections from OTC
Details may not sum due to rounding.

Shaded area denotes U.S. recession

Source: Office of the State Treasurer



September Gross Receipts

million, an increase of \$6.7 million, or 11.5 percent.

- Gross production taxes on oil and natural gas total \$46.4 million, a decrease of \$27.4 million, or 37.2 percent.

- Motor vehicle taxes produced \$58.9 million, down by \$4.3 million, or 6.8 percent.
- Other collections composed of some 60 different sources including taxes on fuel, tobacco, medical marijuana,

and alcoholic beverages, produced \$133.5 million – up by \$10.4 million, or 8.4 percent.

Twelve-month collections

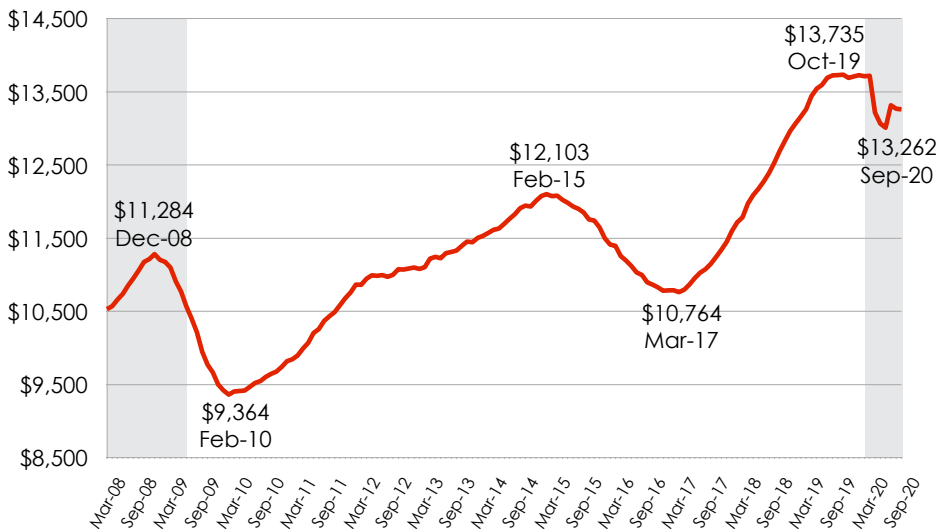
Combined gross receipts for the past 12 months (October 2019 through September 2020) compared to the prior 12 months showed:

- Gross revenue totals \$13.26 billion. That is \$467.5 million, or 3.4 percent, below collections from the previous 12-month period.
- Gross income taxes generated \$4.77 billion, reflecting an increase of \$120.8 million, or 2.6 percent.
 - Individual income tax collections total \$4.1 billion, down by \$24.2 million, or 0.6 percent.
 - Corporate collections are \$664.9 million, an increase of \$145 million, or 27.9 percent.
- Combined sales and use taxes generated \$5.46 billion, a drop of \$149.8 million, or 2.7 percent.
 - Gross sales tax receipts total \$4.7 billion, down by \$196.5 million, or 4 percent.
 - Use tax collections generated \$758.7 million, an increase of \$46.7 million, or 6.6 percent.
- Oil and gas gross production tax

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12-Month Gross Receipts

12 months ending Mar. 2008 – 12 months ending Sep. 2020 (in \$ millions)



(In \$ millions)	Prior Year	Current Year	Variance From Prior Year	
	Oct 18 - Sep 19	Oct 19 - Sep 20	\$	%
Total Income Tax	4,648.1	4,768.9	120.8	2.6%
Individual	4,128.2	4,104.0	(24.2)	-0.6%
Corporate	519.9	664.9	145.0	27.9%
Sales and Use Tax (1)	5,608.0	5,458.2	(149.8)	-2.7%
Sales Tax	4,896.0	4,699.5	(196.5)	-4.0%
Use Tax	712.0	758.7	46.7	6.6%
Gross Production	1,137.5	708.8	(428.7)	-37.7%
Motor Vehicle	791.6	773.6	(18.0)	-2.3%
Other Sources (2)	1,544.1	1,552.3	8.2	0.5%
TOTAL REVENUE	13,729.3	13,261.8	(467.5)	-3.4%

(1) Includes Collections for Counties and Municipalities
 (2) Gross Collections from OTC
 Details may not sum due to rounding.

Shaded area denotes U.S. recessions.

Source: Office of the State Treasurer



September Gross Receipts

collections generated \$708.8 million, down by \$428.7 million, or 37.7 percent.

- Motor vehicle collections total \$773.6 million. This is a decrease of \$18 million, or 2.3 percent.
- Other sources generated \$1.55 billion, up by \$8.2 million, or 0.5 percent.

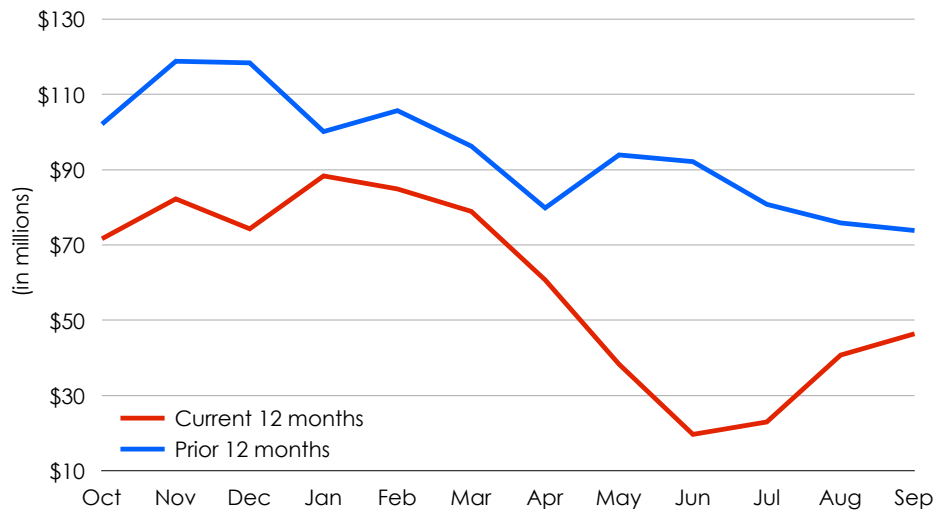
About Gross Receipts to the Treasury

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.

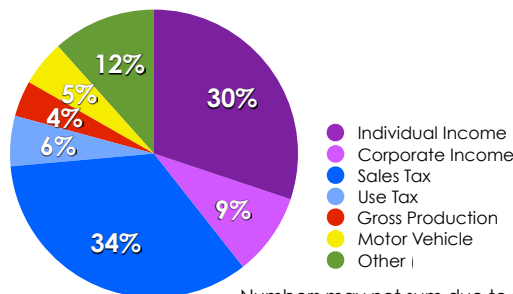
Gross Production (Extraction) Tax Collections



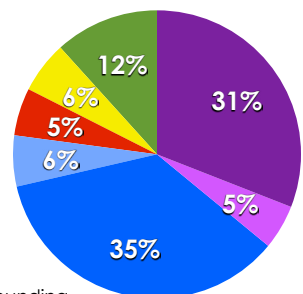
Source: Office of the State Treasurer

Revenue Sources as Percentage of Whole

September 2020



Past 12 Months



Numbers may not sum due to rounding.

More information

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Economic Indicators

