

State Board of Equalization



Proposed FY 2026 Revenue Certification

Friday, Dec. 20, 2024



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Purpose of December BOE Meeting

Certify revenues accrued in FY 2024 and certify amounts available for appropriation for FY 2026.

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Revenue Certification



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**PRIOR YEAR ACCRUED COLLECTIONS
SCHEDULE 1**

Column 1	Column 2	Column 3	Column 4	Column 5
	FY 2024 ESTIMATE Jun 2023	FY 2024 ACTUAL Dec 2024	DIFFERENCE (\$)	DIFFERENCE (%)
General Revenue Fund				
Alcohol Beverage Tax	\$45,342,000	\$46,101,704	\$759,704	1.7%
Mixed Beverage Receipts Tax	\$102,795,000	\$108,406,421	\$5,611,421	5.5%
Cigarette Tax	\$46,789,538	\$37,388,929	(\$9,400,609)	(20.1%)
Tobacco Products Tax	\$677,325	\$33,466,908	\$32,789,583	4841.0%
Franchise Tax	\$0 ¹	\$56,673,130	\$56,673,130	N/A
Gross Production Tax-Gas	\$468,803,000	\$347,536,153 ²	(\$121,266,847)	(25.9%)
Gross Production Tax-Oil	\$413,955,000	\$260,945,640 ²	(\$153,009,360)	(37.0%)
Income Tax-Individual	\$3,312,581,878	\$3,253,438,815	(\$59,143,063.00)	(1.8%)
Income Tax-Corporate	\$356,783,195	\$331,793,646 ²	(\$24,989,549)	(7.0%)
Insurance Premium Tax	\$114,333,216	\$156,188,328	\$41,855,112	36.6%
Motor Vehicle Taxes	\$58,302,000	\$61,598,610	\$3,296,610	5.7%
Sales Tax	\$2,636,497,114	\$2,610,353,375	(\$26,143,739)	(1.0%)
Use Tax	\$517,425,523	\$517,902,143	\$476,619	0.1%
Interest & Investments (State Treasurer)	\$256,000,000	\$376,000,000	\$120,000,000	46.9%
Other OTC (see Appendix 3)	\$64,292,000	\$61,048,276	(\$3,243,724)	(5.0%)
Collections by Other Agencies (see Appendix 3)	\$156,228,062	\$205,335,004	\$49,106,941	31.4%
General Revenue Totals	\$8,550,804,851	\$8,464,177,080		
Reserve Fund Statutory Deposits	(\$262,224,300) ²			
Transfers & Lapses	\$0	\$2,081,421	\$2,081,421	
TOTAL GENERAL REVENUE	\$8,288,580,551	\$8,466,258,501	\$177,677,950³	2.1%
State Certified Funds				
C.L.E.E.T.	\$2,503,905	\$2,608,886	\$104,981	4.2%
COMM of LAND OFFICE	\$11,723,596	\$12,609,854	\$886,258	7.6%
MINERAL LEASING	\$5,022,121	\$6,179,138	\$1,157,017	23.0%
OK EDUCATION LOTTERY TRUST FUND	\$65,000,000	\$87,692,671	\$22,692,671	34.9%
PUBLIC BUILDING	\$2,024,204	\$4,164,872	\$2,140,668	105.8%
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,229,175	\$1,211,301	(\$17,874)	(1.5%)
ALCOHOLIC BEVERAGE CONTROL FUND	\$13,912,834	\$13,025,526	(\$887,308)	(6.4%)
OK PENSION IMPROVEMENT REVOLVING FUND	\$172,172	\$112,405	(\$59,767)	(34.7%)
STATE PUBLIC SAFETY FUND	\$18,500,385	\$26,615,795	\$8,115,411	43.9%
HEALTH CARE ENHANCEMENT FUND	\$149,146,000	\$134,828,419	(\$14,317,581)	(9.6%)
GRAND TOTAL STATE FUNDS	\$8,557,814,943	\$8,755,307,368	\$197,492,425	2.3%
Federal Certified Funds				
⁴ STATEWIDE RECOVERY FUND	\$256,116,591	\$256,116,591	\$0	0.0%
ARPA ADMINISTRATIVE COSTS FUND	N/A	\$2,297,068	N/A	N/A
GRAND TOTAL FEDERAL FUNDS	\$256,116,591	\$258,413,659	\$2,297,068	0.9%

Agenda Item 5

The reported total amount of revenue which accrued in the preceding fiscal year to the General Revenue Fund was **\$8,466,258,501**.

The total to all state Certified Funds was **\$8,755,307,368**. The total amount of federal Certified Funds was **\$258,413,659**.

¹ The June 2023 BOE packet assumed the full impact of the Franchise Tax elimination provided for by HB 1039x in FY 2024.

² Pursuant to Title 62, Section 34, \$262.2 million in deposits to the Revenue Stabilization Fund deposit were apportioned from the following collections: \$12.2 million from GPT-Gas, \$98.7 million from GPT-Oil, and \$151.3 million from Corporate Income Tax (Feb 2023 BOE Packet, Schedule 4). An additional \$50.9 million deposit to the Constitutional Reserve Fund was apportioned from Corporate Income Tax.

³ \$40,421,438.14 of surplus revenues were deposited into the Constitutional Reserve Fund at the close of FY 2024, bringing the starting balance of the fund to \$1,365,645,200 for FY 2025. That is also the fund's maximum balance for the duration of the fiscal year. Pursuant to Article X, Section 23 of the Oklahoma Constitution, the fund's cap was calculated at 15% of actual revenues for FY 2023 (December 2023 BOE Packet, Schedule 1).

⁴ Statewide Recovery Fund includes total ARPA funds and interest received after all administrative expenses are paid and appropriations made. Federal funds are certified for appropriation at the full amount of the estimate and not subject to the 95% availability rule as directed by Article X, Section 23 of the Oklahoma Constitution.

STATUTORILY REQUIRED FINDINGS SCHEDULE 2

Agenda Item 6: Cash Flow Reserve Fund Finding

Pursuant to Title 62, Section 34.54, as amended by HB 3206 in the 2016 legislative session, OMES is required to analyze and submit to the State BOE the amount of monies remaining in the General Revenue Cash-flow Reserve Fund that are not necessary for current year cash-flow needs and are available for legislative appropriation.

Finding: Based on December's FY 2025 projections, **\$0** will be available for appropriation.

Agenda Item 7: OHLAP Funding

In compliance with Section 34.87 of Title 62 of the Oklahoma Statutes, the State Regents for Higher Education adopts a funding estimate each year for the needs of the Oklahoma's Promise scholarship program with a portion coming from the General Revenue Fund and a portion coming from the program's trust fund.

Finding: State Regents for Higher Education has adopted an estimate of \$73.1 million for the FY 2026 revenue needs of Oklahoma's Promise scholarship program and further recommends **\$70 million** of the revenue needs be allocated from the General Revenue Fund for FY 2026 to fund awards allowed pursuant to the Oklahoma Higher Learning Access Act.

The amount of money allocated from General Revenue was \$71.8 million in FY 2025 and \$67.7 million in FY 2024. These allocation amounts have been subtracted from Income Tax-Individual in FY 2024 actual and FY 2025 projected General Revenue collections. The \$70 million allocation is reflected as a transfer in the FY 2026 estimate (Schedule 3).

**REVENUE CERTIFICATION PROPOSALS FOR FY 2026
SCHEDULE 3**

Column 1	Column 2	Column 3
	PROPOSED COLLECTION FY 2026 ESTIMATE Dec 2024	PROPOSED AUTHORITY FY 2026 95% ESTIMATE Dec 2024
General Revenue Fund		
Alcohol Beverage Tax	\$50,122,000	\$47,615,900
Mixed Beverage Receipts Tax	\$111,622,000	\$106,040,900
Cigarette Tax	\$33,078,410	\$31,424,489
Tobacco Products Tax	\$33,239,222	\$31,577,261
Franchise Tax	\$2,875,000	\$2,731,250
Gross Production Tax-Gas	\$394,383,000	\$374,663,850
Gross Production Tax-Oil	\$300,688,000	\$285,653,600
Income Tax-Individual	\$3,493,099,585 ¹	\$3,318,444,606 ¹
Income Tax-Corporate	\$461,303,010	\$438,237,860
Insurance Premium Tax	\$140,569,496	\$133,541,021
Motor Vehicle Taxes	\$65,693,000	\$62,408,350
Sales Tax	\$2,189,056,874	\$2,079,604,030
Use Tax	\$563,867,046	\$535,673,694
Interest & Investments (State Treasurer)	\$410,000,000	\$389,500,000
Other OTC (see Appendix 3)	\$53,214,638	\$50,553,906
Collections by Other Agencies (see Appendix 3)	\$185,483,344	\$176,209,177
Revenue Subtotal	\$8,488,294,625	\$8,063,879,894
OHLAP Transfer	(\$70,000,000)	(\$70,000,000)
TOTAL GENERAL REVENUE	\$8,418,294,625	\$7,993,879,894
State Certified Funds		
C.L.E.E.T.	\$2,602,321	\$2,472,205
COMMISSIONERS OF THE LAND OFFICE	\$12,460,000	\$11,837,000
MINERAL LEASING	\$5,200,000	\$4,940,000
OK EDUCATION LOTTERY TRUST FUND	\$65,000,000	\$61,750,000
PUBLIC BUILDING	\$1,680,344	\$1,596,327
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,140,300	\$1,083,285
ALCOHOLIC BEVERAGE CONTROL FUND	\$13,263,980	\$12,600,781
OKLAHOMA PENSION IMPROVEMENT REVOLVING FUND	\$119,892	\$113,897
STATE PUBLIC SAFETY FUND	\$24,000,000	\$22,800,000
HEALTH CARE ENHANCEMENT FUND	\$118,771,000	\$112,832,450
GRAND TOTAL STATE FUNDS	\$8,662,532,462	\$8,225,905,839
Federal Certified Funds		
STATEWIDE RECOVERY FUND	\$166,772,965	\$166,772,965 ²
ARPA ADMINISTRATIVE COSTS FUND	\$3,506,932	\$3,506,932
GRAND TOTAL FEDERAL FUNDS	\$170,279,897	\$170,279,897

Agenda Item 8

The estimate of total certified state revenues is **\$8,662,532,462** and the certified state revenue available for appropriation is **\$8,225,905,839**.

The estimate of total certified federal revenue available for appropriation is **\$170,279,897**.

¹ \$30 million to fund the Filmed in Oklahoma Act per Title 68, Section 3634; \$8 million to fund the Film Enhancement Rebate Program per Title 68, Section 3624; and \$232.8 million in transfers to the ROADS Fund (Appendix 5) have been apportioned from Personal Income Tax.

² Statewide Recovery Fund includes total ARPA funds and interest received after all administrative expenses are paid and appropriations made. Federal funds are certified for appropriation estimate and not subject to the 95% availability rule as directed by Article X, Section 23 of the Oklahoma Constitution.

Budget Outlook



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**FY 2026 BUDGET OUTLOOK
SCHEDULE 4**

Column 1	Column 2	Column 3	Column 4	Column 5
	FY 2025 Jun 2024 EXPENDITURE AUTHORITY	FY 2025 Jun 2024 LEGISLATIVE APPROPRIATIONS	PROPOSED FY 2026 Dec 2024 EXPENDITURE AUTHORITY	CHANGE IN FY 2026 AUTHORITY FROM FY 2025 AUTHORITY (\$\$)
CERTIFIED FUNDS (95% of Estimate)*				
General Revenue Fund	\$8,094,671,706	\$8,052,186,566	\$7,993,879,894	(\$100,791,812)
C.L.E.E.T. Fund	\$2,353,064	\$2,353,064	\$2,472,205	\$119,141
Mineral Leasing Fund	\$4,512,500	\$4,512,500	\$4,940,000	\$427,500
OHSA Fund	\$1,083,285	\$1,083,285	\$1,083,285	\$0
Public Building Fund	\$2,272,892	\$2,272,892	\$1,596,327	(\$676,565)
Commissioners of the Land Office Fund	\$11,484,284	\$6,703,421	\$11,837,000	\$352,716
OK Education Lottery Trust Fund	\$61,750,000	\$61,750,000	\$61,750,000	\$0
State Public Safety Fund	\$23,275,000	\$23,275,000	\$22,800,000	(\$475,000)
Health Care Enhancement Fund	\$117,429,500	\$117,429,500	\$112,832,450	(\$4,597,050)
Alcoholic Beverage Control Fund	\$13,775,000	\$13,775,000	\$12,600,781	(\$1,174,219)
OK Pension Improvement Rev Fund	\$236,341	\$0	\$113,897	(\$122,444)
TOTAL CERTIFIED FUNDS	\$8,332,843,572	\$8,285,341,228	\$8,225,905,839	(\$106,937,732)
AUTHORIZED FUNDS (100% of Estimate)				
ERRF (1017) Fund	\$1,067,873,561	\$1,067,915,924	\$1,052,005,695	(\$15,867,866)
Common Ed. Technology Fund (GP – Oil)	\$47,025,701	\$47,025,701	\$47,000,000	(\$25,701)
OK Student Aid Fund (GP – Oil)	\$47,025,701	\$47,025,701	\$47,000,000	(\$25,701)
Higher Ed. Capital Fund (GP – Oil)	\$47,025,701	\$47,025,701	\$47,000,000	(\$25,701)
Tobacco Fund	\$11,000,000	\$11,000,000	\$10,000,000	(\$1,000,000)
Judicial Revolving Fund	\$20,716,418	\$20,716,418	\$15,537,314	(\$5,179,104)
Transportation Fund	\$216,234,188	\$216,239,461	\$204,509,528	(\$11,724,660)
ROADS Fund	\$590,000,000	\$590,000,000	\$590,000,000	\$0
Teachers' Retirement System Revolving Fund	\$448,293,195	\$448,314,457	\$436,403,940	(\$11,889,255)
¹ OHLAP Fund	N/A	N/A	\$70,000,000	N/A
TOTAL AUTHORIZED FUNDS	\$2,495,194,465	\$2,495,263,363	\$2,519,456,477	(\$45,737,988)
TOTAL RECURRING REVENUES	\$10,828,038,037	\$10,780,604,591	\$10,745,362,316	(\$152,675,720)
CASH AND ONE-TIME				
SPECIAL CASH FUND APPROPRIATIONS	\$83,701,000	\$83,701,000	\$0	(\$83,701,000)
CASH FLOW RESERVE FUND	\$0	\$0	\$0	\$0
CERTIFIED & AUTHORIZED FUND CASH	\$16,182,392	\$15,139,905	\$10,534,145	(\$5,648,247)
AGENCY REVOLVING FUND AUTHORIZATIONS	\$50,900,000	\$50,900,000	\$0	(\$50,900,000)
ADD'L REV FUND APPROPRIATIONS	\$70,000,000	\$70,000,000	\$0	(\$70,000,000)
GENERAL REVENUE SURPLUS	\$2,407,608,345	\$1,470,099,298	\$1,365,574,730	(\$1,042,033,615)
TOTAL CASH	\$2,628,391,736	\$1,689,840,203	\$1,376,108,875	(\$1,252,282,862)
TOTAL STATE FUNDS	\$13,456,429,774	\$12,470,444,793	\$12,121,471,191	(\$1,404,958,582)
FEDERAL CERTIFIED (100% of Estimate)				
STATEWIDE RECOVERY FUND	\$101,470,889	\$10,000,000	\$166,772,965	\$65,302,076
ARPA ADMINISTRATIVE COST FUND	\$2,297,068	\$2,297,068	\$3,506,932	\$1,209,864
TOTAL AUTHORIZED BUDGET	\$13,560,197,731	\$12,482,741,861	\$12,291,751,088	(\$1,268,446,643)

* See Appendix 2 for the full FY 2025 estimate of Certified Funds.

¹ Expenditure Authority for the Oklahoma Higher Learning Access Trust Fund was not reported in June 2024 or prior BOE packets. Per HB 4157, passed during the 2024 legislative session, the OHLAP Fund became an Authorized Fund as of July 2024.

Appendices



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BUDGET DETAIL BY FUND (Non-Restricted Funds)
APPENDIX 1

Column 1	Column 2	Column 3	Column 4
	FY 2025 EXPENDITURE AUTHORITY 2024 SESSION Jun 2024	FY 2025 LEGISLATIVE APPROPRIATIONS 2024 SESSION Jun 2024	PROPOSED FY 2026 EXPENDITURE AUTHORITY 2025 SESSION Dec 2024
NON-RESTRICTED FUNDS			
GENERAL REVENUE FUND			
Certified	\$8,094,671,706	\$8,052,186,566	\$7,993,879,894
Prior Year Certified	\$352,285,732	\$7,473,311	\$42,485,140
Cash	\$2,055,322,613	\$1,462,625,987	\$1,323,089,590
TOTAL	\$10,502,280,050	\$9,522,285,864	\$9,359,454,624
C.L.E.E.T. FUND			
Certified	\$2,353,064	\$2,353,064	\$2,472,205
Cash	\$41,916	\$41,916	\$454,675
TOTAL	\$2,394,980	\$2,394,980	\$2,926,880
MINERAL LEASING FUND			
Certified	\$4,512,500	\$4,512,500	\$4,940,000
Cash	\$780,678	\$780,678	\$344,531
TOTAL	\$5,293,178	\$5,293,178	\$5,284,531
OCCUPATIONAL HEALTH AND SAFETY FUND			
Certified	\$1,083,285	\$1,083,285	\$1,083,285
Cash	\$0	\$0	\$140,592
TOTAL	\$1,083,285	\$1,083,285	\$1,223,877
PUBLIC BUILDING FUND			
Certified	\$2,272,892	\$2,272,892	\$1,596,327
Cash	\$1,905,144	\$1,905,144	\$29,158
TOTAL	\$4,178,036	\$4,178,036	\$1,625,485
SPECIAL CASH FUND			
Cash	\$83,701,000 ¹	\$83,701,000 ¹	\$0
TOTAL	\$83,701,000	\$83,701,000	\$0
STATEWIDE RECOVERY FUND			
Certified	\$101,470,889	\$10,000,000 ²	\$166,772,965
TOTAL	\$101,470,889	\$10,000,000	\$166,772,965
ARPA ADMINISTRATIVE COSTS FUND			
Certified	\$2,297,068	\$2,297,068 ²	\$3,506,932
TOTAL	\$2,297,068	\$2,297,068	\$3,506,932
SUBTOTAL NON-RESTRICTED FUNDS	\$10,702,698,487	\$9,631,233,411	\$9,540,795,294

¹ Special Cash Fund includes cash transfers of \$40,000,000 from Unclaimed Property Fund; \$7,800,000 from Insurance Revolving Fund; \$7,800,000 from Secretary of State Revolving Fund; and \$28,100,000 from OMMA Revolving Fund.

² ARPA admin payments now administered through the ARPA Administrative Costs Fund created by HB 2940 of the 2023 regular legislative session.

(Continued)

BUDGET DETAIL BY FUND (Restricted Funds)
APPENDIX 1 (Continued)

<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>	<i>Column 4</i>
	FY 2025 EXPENDITURE AUTHORITY 2024 SESSION Jun 2024	FY 2025 LEGISLATIVE APPROPRIATIONS 2024 SESSION Jun 2024	PROPOSED FY 2026 EXPENDITURE AUTHORITY 2025 SESSION Dec 2024
RESTRICTED FUNDS			
COMMISSIONERS OF THE LAND OFFICE FUND			
Certified	\$11,484,284	\$6,703,421	\$11,837,000
Cash	\$612,687	\$0	\$0
TOTAL	<u>\$12,096,971</u>	<u>\$6,703,421</u>	<u>\$11,837,000</u>
OK EDUCATION LOTTERY TRUST FUND			
Certified	\$61,750,000	\$61,750,000	\$61,750,000
Cash	\$8,002,171	\$8,002,171	\$0
TOTAL	<u>\$69,752,171</u>	<u>\$69,752,171</u>	<u>\$61,750,000</u>
STATE PUBLIC SAFETY FUND			
Certified	\$23,275,000	\$23,275,000	\$22,800,000
Cash	\$3,669,082	\$3,669,082	\$9,479,944
TOTAL	<u>\$26,944,082</u>	<u>\$26,944,082</u>	<u>\$32,279,944</u>
HEALTH CARE ENHANCEMENT FUND			
Certified	\$117,429,500	\$117,429,500	\$112,832,450
Cash	\$0	\$0	\$0
TOTAL	<u>\$117,429,500</u>	<u>\$117,429,500</u>	<u>\$112,832,450</u>
ALCOHOLIC BEVERAGE CONTROL FUND			
Certified	\$13,775,000	\$13,775,000	\$12,600,781
Cash	\$740,913	\$740,913	\$0
TOTAL	<u>\$14,515,913</u>	<u>\$14,515,913</u>	<u>\$12,600,781</u>
OK PENSION IMPROVEMENT REV FUND			
Certified	\$236,341	\$0	\$113,897
Cash	\$429,800	\$0	\$85,245
TOTAL	<u>\$666,141</u>	<u>\$0</u>	<u>\$199,142</u>
SUBTOTAL RESTRICTED FUNDS	\$241,404,778	\$235,345,087	\$231,499,317
TOTAL-RESTRICTED & NON-RESTRICTED	\$10,944,103,265	\$9,866,578,498	\$9,772,294,611
COMMON ED. TECH FUND			
Revolving Fund Estimate	\$47,025,701	\$47,025,701	\$47,000,000
OK. STUDENT AID FUND			
Revolving Fund Estimate	\$47,025,701	\$47,025,701	\$47,000,000
HIGHER ED. CAPITAL FUND			
Revolving Fund Estimate	\$47,025,701	\$47,025,701	\$47,000,000
ERRF (1017) FUND			
Revolving Fund Estimate	\$1,067,873,561	\$1,067,915,924	\$1,052,005,695
TOBACCO SETTLEMENT FUND			
Revolving Fund Estimate	\$11,000,000	\$11,000,000	\$10,000,000
STATE JUDICIAL REVOLVING FUND			
Revolving Fund Estimate	\$20,716,418	\$20,716,418	\$15,537,314
STATE TRANSPORTATION FUND			
Revolving Fund Estimate	\$216,234,188	\$216,239,461	\$204,509,528
ROADS FUND			
Revolving Fund Estimate	\$590,000,000	\$590,000,000	\$590,000,000
TEACHERS' RETIREMENT SYSTEM REVOLVING FUND			
Revolving Fund Estimate	\$448,293,195	\$448,314,457	\$436,403,940
OHLAP FUND			
Revolving Fund Estimate	N/A	N/A	\$70,000,000
TOTAL	\$13,439,297,730	\$12,361,841,861	\$12,291,751,088
**ADDITIONAL BUDGETARY AUTHORIZATIONS:			
Agency Revolving Fund Authorizations	\$50,900,000	\$50,900,000 ¹	\$0
Additional Revolving Fund Appropriations	\$70,000,000	\$70,000,000 ²	\$0
TOTAL AUTHORIZED BUDGET	\$13,560,197,730	\$12,482,741,861	\$12,291,751,088

** Additional Budgetary Authorizations are those amounts, authorized by law, which do not affect the Certified Funds or specific Authorized Funds reported for board action. This section is provided for informational purposes and final budgetary comparison.

¹ Oklahoma Medical Marijuana Authority Revolving Fund (\$41.9 million) and OHCA CMIA Disbursing Fund (\$9 million) to fund operations pursuant to SB 1125.

² Appropriation to the Department of Environmental Quality from the PREP Fund pursuant to HB 2889 and HB 2890.

**INFORMATIONAL CERTIFIED FUND COMPARISONS
APPENDIX 2**

<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>	<i>Column 4</i>	<i>Column 5</i>
	FY 2025 ESTIMATE Jun 2024	FY 2025 PROJECTION Dec 2024	CHANGE IN FY 2025 PROJECTION FROM FY 2025 ESTIMATE	% CHANGE IN FY 2025 PROJECTION FROM FY 2025 ESTIMATE
General Revenue Fund				
Alcohol Beverage Tax	\$42,688,000	\$48,125,000	\$5,437,000	12.7%
Mixed Beverage Receipts Tax	\$108,364,000	\$111,078,000	\$2,714,000	2.5%
Cigarette Tax	\$36,358,902	\$33,262,758	(\$3,096,144)	(8.5%)
Tobacco Products Tax	\$11,483,000	\$34,907,067	\$23,424,067	204.0%
Franchise Tax	\$2,828,000	\$24,644,000	\$21,816,000	771.4%
Gross Production Tax-Gas	\$368,515,000	\$310,356,000	(\$58,159,000)	(15.8%)
Gross Production Tax-Oil	\$373,308,000	\$343,822,000	(\$29,486,000)	(7.9%)
Income Tax-Individual	\$3,291,043,735	\$3,367,802,820	\$76,759,085	2.3%
Income Tax-Corporate	\$443,833,782	\$463,287,563	\$19,453,780	4.4%
Insurance Premium Tax	\$114,135,018	\$140,569,496	\$26,434,478	23.2%
Motor Vehicle Taxes	\$30,938,000	\$57,425,000	\$26,487,000	85.6%
Sales Tax	\$2,478,086,000 ¹	\$2,302,452,315 ¹	(\$175,633,685)	(7.1%)
Use Tax	\$566,572,912	\$533,866,616	(\$32,706,296)	(5.8%)
Interest & Investments (State Treasurer)	\$350,000,000	\$404,000,000	\$54,000,000	15.4%
Other OTC (see Appendix 3)	\$51,703,328	\$49,628,000	(\$2,075,328)	(4.0%)
Collections by Other Agencies (see Appendix 3)	\$250,849,381	\$179,016,958	(\$71,832,423)	(28.6%)
Total General Revenue	\$8,520,707,059 ²	\$8,404,243,593 ²	(\$116,463,466)	(1.4%)
State Certified Funds				
C.L.E.E.T.	\$2,476,909	\$2,602,321	\$125,412	5.1%
COMMISSIONERS OF THE LAND OFFICE	\$12,088,720	\$12,434,103	\$345,383	2.9%
MINERAL LEASING	\$4,750,000	\$4,750,000	\$0	0.0%
OK EDUCATION LOTTERY TRUST FUND	\$65,000,000	\$65,000,000	\$0	0.0%
PUBLIC BUILDING	\$2,392,518	\$1,680,344	(\$712,174)	(29.8%)
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,140,300	\$1,119,664	(\$20,636)	(1.8%)
ALCOHOLIC BEVERAGE CONTROL FUND	\$14,500,000	\$13,263,980	(\$1,236,020)	(8.5%)
OK PENSION IMPROVEMENT REVOLVING FUND	\$248,780	\$116,400	(\$132,380)	(53.2%)
STATE PUBLIC SAFETY FUND	\$24,500,000	\$24,000,000	(\$500,000)	(2.0%)
HEALTH CARE ENHANCEMENT FUND	\$123,610,000	\$118,324,000	(\$5,286,000)	(4.3%)
GRAND TOTAL STATE FUNDS	\$8,771,414,286	\$8,647,534,405	(\$123,879,881)	(1.4%)
Federal Certified Funds				
STATEWIDE RECOVERY FUND	\$101,470,889	\$101,470,889	\$0	0.0%
ARPA ADMINISTRATIVE COSTS FUND	\$2,297,068	\$2,297,068	\$0	0.0%
GRAND TOTAL FEDERAL FUNDS	\$103,767,957	\$103,767,957	\$0	0.0%

¹ Pursuant to Title 68, Section 1353, Subsection B, \$5 million has been apportioned from Sales Tax to the Municipal Road Drilling Activity Revolving Fund.

² No Revenue Stabilization Fund deposits are authorized for FY 2025 (February 2024 BOE Packet, Schedule 4).

INFORMATIONAL CERTIFIED FUND COMPARISONS
APPENDIX 2 (Continued)

Column 1	Column 2	Column 3	Column 4	Column 5
	FY 2025 ESTIMATE Jun 2024	PROPOSED FY 2026 ESTIMATE Dec 2024	CHANGE IN FY 2026 ESTIMATE FROM FY 2025 ESTIMATE	% CHANGE IN FY 2026 ESTIMATE FROM FY 2025 ESTIMATE
General Revenue Fund				
Alcohol Beverage Tax	\$42,688,000	\$50,122,000	\$7,434,000	17.4%
Mixed Beverage Receipts Tax	\$108,364,000	\$111,622,000	\$3,258,000	3.0%
Cigarette Tax	\$36,358,902	\$33,078,410	(\$3,280,493)	(9.0%)
Tobacco Products Tax	\$11,483,000	\$33,239,222	\$21,756,222	189.5%
Franchise Tax	\$2,828,000	\$2,875,000	\$47,000	1.7%
Gross Production Tax-Gas	\$368,515,000	\$394,383,000	\$25,868,000	7.0%
Gross Production Tax-Oil	\$373,308,000	\$300,688,000	(\$72,620,000)	(19.5%)
Income Tax-Individual	\$3,291,043,735 *	\$3,493,099,585	\$202,055,850	6.1%
Income Tax-Corporate	\$443,833,782	\$461,303,010	\$17,469,228	3.9%
Insurance Premium Tax	\$114,135,018	\$140,569,496	\$26,434,478	23.2%
Motor Vehicle Taxes	\$30,938,000	\$65,693,000	\$34,755,000	112.3%
Sales Tax	\$2,478,086,000	\$2,189,056,874	(\$289,029,126)	(11.7%)
Use Tax	\$566,572,912	\$563,867,046	(\$2,705,866)	(0.5%)
Interest & Investments (State Treasurer)	\$350,000,000	\$410,000,000	\$60,000,000	17.1%
Other OTC (see Appendix 3)	\$51,703,328	\$53,214,638	\$1,511,310	2.9%
Collections by Other Agencies (see Appendix 3)	\$250,849,381	\$185,483,344	(\$65,366,037)	(26.1%)
* OHLAP Transfer	N/A *	(\$70,000,000) *	N/A	N/A
Total General Revenue	\$8,520,707,059	\$8,418,294,625	(\$102,412,434)	(1.2%)
State Certified Funds				
C.L.E.E.T.	\$2,476,909	\$2,602,321	\$125,412	5.1%
COMMISSIONERS OF THE LAND OFFICE	\$12,088,720	\$12,460,000	\$371,280	3.1%
MINERAL LEASING	\$4,750,000	\$5,200,000	\$450,000	9.5%
OK EDUCATION LOTTERY TRUST FUND	\$65,000,000	\$65,000,000	\$0	0.0%
PUBLIC BUILDING	\$2,392,518	\$1,680,344	(\$712,174)	(29.8%)
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,140,300	\$1,140,300	\$0	0.0%
ALCOHOLIC BEVERAGE CONTROL FUND	\$14,500,000	\$13,263,980	(\$1,236,020)	(8.5%)
OK PENSION IMPROVEMENT REVOLVING FUND	\$248,780	\$119,892	(\$128,888)	(51.8%)
STATE PUBLIC SAFETY FUND	\$24,500,000	\$24,000,000	(\$500,000)	(2.0%)
HEALTH CARE ENHANCEMENT FUND	\$123,610,000	\$118,771,000	(\$4,839,000)	(3.9%)
GRAND TOTAL STATE FUNDS	\$8,771,414,286	\$8,662,532,462	(\$108,881,824)	(1.2%)
Federal Certified Funds				
STATEWIDE RECOVERY FUND	\$101,470,889	\$166,772,965	\$65,302,076	64.4%
ARPA ADMINISTRATIVE COSTS FUND	\$2,297,068	\$3,506,932	\$1,209,864	52.7%
GRAND TOTAL FEDERAL FUNDS	\$103,767,957	\$170,279,897	\$66,511,940	64.1%

* The \$71.8 million allocation to OHLAP in FY 2025 (Schedule 2) was subtracted from the Personal Income Tax estimate in the June 2024 BOE packet. It is reflected as a transfer from General Revenue for the FY 2026 certification (Schedule 3).

**ITEMIZED ESTIMATES OF "OTHER" REVENUES
APPENDIX 3**

<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>	<i>Column 4</i>
	FY 2024 ACTUAL Dec 2024	FY 2025 PROJECTED Dec 2024	PROPOSED FY 2026 ESTIMATE Dec 2024
OKLAHOMA TAX COMMISSION:			
Bingo Excise & Charity Games	\$62,267	\$40,000	\$36,000
Tribal Cigarette Compacts	\$11,315,534	\$10,901,000	\$13,887,638
Other OTC	\$49,670,475	\$38,687,000	\$39,291,000
TOTAL OTHER OTC	\$61,048,276	\$49,628,000	\$53,214,638
COLLECTIONS BY OTHER AGENCIES:			
Attorney General	\$0	\$0	\$200,000
C.L.E.E.T.	\$258,861	\$257,701	\$257,701
Department of Consumer Credit	\$748,848	\$675,000	\$675,000
District Attorneys Council	\$9,452,705	\$8,215,918	\$7,158,486
Department of Public Safety	\$137,325	\$121,870	\$129,598
Horse Racing Commission	\$3,417,307	\$3,522,997	\$3,631,955
Insurance Department	\$89,881,040	\$80,892,935	\$87,921,410
Department of Labor	\$403,951	\$402,404	\$402,305
Medical Licensure	\$554,095	\$475,000	\$475,000
Nursing Board	\$385,764	\$414,578	\$385,764
OMES	\$5,333,480	\$3,857,000	\$3,857,000
Secretary of State	\$2,675,053	\$2,728,555	\$2,783,125
Department of Securities	\$19,167,708	\$18,893,000	\$18,626,000
Unclaimed Property (State Treasurer)	\$10,000,000	\$10,000,000	\$10,000,000
Tribal Gaming (OMES)	\$25,227,549	\$25,560,000	\$25,980,000
Service Oklahoma	\$20,740,208	\$23,000,000	\$23,000,000
Other	\$16,951,110	\$0	\$0
TOTAL COLLECTIONS BY OTHER AGENCIES	\$205,335,004	\$179,016,958	\$185,483,344

**EDUCATION REFORM ACT - HB 1017
APPENDIX 4**

SB 826 of the second regular session of the 45th Legislature amended Section 41.29a of Title 62 to require that the Office of Accountability account for and report monthly revenues which accrue to the Education Reform Revolving Fund. The Education Reform Revolving Fund on June 1, 1996, began receiving revenue attributable to the revenue provisions of HB 1017, rather than these revenues first being apportioned to the General Revenue Fund.

CALCULATIONS

EDUCATION REFORM REVOLVING FUND

<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>	<i>Column 4</i>
SOURCE	FY 2024 ACTUAL Dec 2024	FY 2025 PROJECTED Dec 2024	PROPOSED FY 2026 ESTIMATE Dec 2024
Income Tax-Individual	\$352,427,922	\$362,884,993	\$367,531,290
Income Tax-Corporate	\$114,045,685	\$98,954,625	\$98,530,740
Sales Tax	\$327,843,114	\$289,538,762	\$275,309,920
Use Tax	\$85,051,174	\$87,489,501	\$91,253,950
Cigarette Tax	\$1,716,254	\$716,986	\$711,107
Tobacco Products Tax	\$709,814	\$1,595,887	\$1,514,350
Tribal Gaming	\$184,782,058	\$187,440,000	\$190,520,000
Horse Track Gaming	\$27,370,870	\$25,835,308	\$26,634,338
Special License Plates	\$1,081	\$0	\$0
TOTAL - 100% OF ESTIMATE	\$1,093,947,973	\$1,054,456,062	\$1,052,005,695

INFORMATIONAL ROADS FUND APPORTIONMENT SUMMARY

APPENDIX 5

Legislative History

HB 2272, passed in the 2008 legislative session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective July 1, 2009, for FY 2010, the Transportation Department will receive the total amount apportioned to the ROADS Fund for the preceding fiscal year plus an additional \$30 million each year until a cap of \$370 million is reached.

Legislated Adjustments to the ROADS Fund

SB 1466, passed in the 2010 legislative session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective July 1, 2011, for FY 2012 and for each fiscal year thereafter, the Transportation Department will receive the total amount apportioned to the ROADS Fund for the preceding fiscal year plus an additional \$35.7 million each year until a cap of \$400 million is reached.

SB 976, passed in the 2011 legislative session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective August 26, 2011, for FY 2013, the Transportation Department will receive the total amount apportioned to the ROADS Fund for the preceding fiscal year plus an additional \$41.7 million each year until a cap of \$435 million is reached.

HB 2248, effective July 1, 2012, amends the same title and section. For FY 2014 and all fiscal years until the cap is reached, the Transportation Department will receive the total amount apportioned to the ROADS Fund for the preceding fiscal year plus an additional \$59.7 million. The cap was raised to \$575 million.

HB 1014xx, effective July 1, 2019, directs diesel and gasoline fuel taxes imposed by HB 1010XX and most motor vehicle revenues to the ROADS Fund. Contributions to the ROADS Fund from motor vehicle revenues and fuel taxes replace personal income tax contributions dollar-for-dollar. Offset personal income tax dollars are redirected to GRF.

HB 2743, passed during the 2020 legislative session, apportioned \$180 million in dedicated ROADS Fund revenue to the Education Reform Revolving Fund for FY 2021 and FY 2022.

HB 2895, passed during the 2021 legislative session, restored dedicated revenue back to the ROADS Fund and canceled the ERRF transfer. The cap was raised to \$590 million effective FY 2023.

<i>Column 1</i>	<i>Column 2</i>	<i>Column 3</i>	<i>Column 4</i>	<i>Column 5</i>
	FY 2023 ACTUAL Dec 2023	FY 2024 ACTUAL Dec 2024	FY 2025 PROJECTION Dec 2024	PROPOSED FY 2026 ESTIMATE Dec 2024
ROADS Fund Cap	\$590,000,000	\$590,000,000	\$590,000,000	\$590,000,000
Apportionment from Motor Vehicle Revenues	\$233,270,986	\$232,114,631	\$241,607,000	\$248,225,000
Apportionment from Diesel Taxes	\$57,866,484	\$54,037,497	\$56,317,000	\$55,842,000
Apportionment from Gasoline Taxes	\$57,608,218	\$58,769,798	\$58,371,000	\$58,142,000
ROADS Apportionment from Individual Income Tax	<u>\$241,254,312</u>	<u>\$245,078,074</u>	<u>\$233,705,000</u>	<u>\$227,791,000</u>
Tourism & Passenger Rail Rev. Fund Apportionment	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Public Transit Rev. Fund Apportionment	<u>\$3,000,000</u>	<u>\$3,000,000</u>	<u>\$3,000,000</u>	<u>\$3,000,000</u>
¹ Total Apportionment from Individual Income Tax	\$246,254,312	\$250,078,074	\$238,705,000	\$232,791,000

¹ Total apportionment from income tax amounts has been subtracted from the respective individual income tax numbers.

**SUMMARY OF RESERVES AND UNSPENT REVENUES
APPENDIX 6**

Fund	Amount
Constitutional Reserve Fund (Rainy Day Fund)	\$1,365,345,200
Revenue Stabilization Fund (RSF)	\$663,557,325
Total Reserves (RDF and RSF)	\$2,028,902,525
2023 General Revenue	\$563,696,626
2024 General Revenue	\$759,392,964
2025 General Revenue (Unspent Authority)	\$42,485,140
Total General Revenue Cash	\$1,365,574,730
FMAP Rate Preservation Fund (Projected Balance)	\$595,678,831 *
Education Reform Revolving Fund Cash (1017)	\$640,461,250 *
Total Restricted Cash	\$1,236,140,081
GRAND TOTAL	\$4,630,617,336

* Projected to accrue at end of FY 2025.

GLOSSARY

APPENDIX 7

Additional Budgetary Authorizations: Those amounts, authorized by law, which do not affect the Certified Funds or specific Authorized Funds reported for board action.

Agency Revolving Funds: Funds are created solely for the agency, and the agency can budget and spend from the funds without annual legislative appropriation.

Authorized Expenditures: Appropriations and spending authorizations made by the Legislature.

Authorized Funds: Funds not certified by the Board of Equalization. For non-certified funds, the Legislature authorizes the expenditure amount from the fund based on total (100%) estimated collections instead of appropriating 95% of total estimated collections. In statute, language specifically states that fund is a continuing fund, not subject to fiscal year limitations and is authorized to be expended by the Legislature.

Cash Flow Reserve Fund: Fund used to enable equal monthly General Revenue Fund disbursements to agencies.

Certified Funds: Funds certified by the Board of Equalization. Certified revenue equals 95% of total estimated collections to each certified fund for the following fiscal year. In statute, language specifically states that fund shall be subject to legislative appropriation.

Constitutional Reserve Fund: Reserve fund available during General Revenue failures.

Estimate: Expected collections for future fiscal year.

Expenditure Authority: Expected collections and cash that the Legislature has the authority to spend.

Fiscal Year (FY): Financial and accounting year beginning July 1 and ending June 30.

Prior Year Certified: Unencumbered collections certified in the prior year.

Projected: Expected collections for current fiscal year based on most recent re-estimates.

Reappropriations: Unspent and expired appropriations to agencies that are reappropriated for agency use.

Revenue Stabilization Fund: Reserve fund established to smooth volatile revenue streams including corporate income tax, gas production tax, and oil production tax.

Special Cash: Disbursement fund used to move appropriated cash from agency funds for appropriation to other agency funds.

Unencumbered/Unspent: Expected collections and cash the Legislature has the authority to spend but has not.

RELEVANT LEGISLATION AND STATUTES AND PURPOSE OF BOE

APPENDIX 8

Relevant Legislation and Statutes

The summation of the itemized estimates of revenue, Schedule 3, and the amounts available for appropriation are proposed as the amounts to be certified by the State Board of Equalization in accordance with Section 23, Article X, Constitution of Oklahoma. The amounts proposed as available for appropriation are calculated as 95% of the summation of the itemized estimate of revenue for the respective funds, except for federal funds which shall be certified for the full amount of the estimate.

Pursuant to House Bill 1014XX passed during the Second Special Session in 2017, amending Title 69, Section 1521 of the Oklahoma Highway Code, effective July 1, 2019, Motor Fuels Taxes enacted by HB 1010XX and most Motor Vehicle Taxes currently distributed to the GRF are to be directed to the ROADS Fund and an equal amount of personal income tax currently diverted to the ROADS Fund will be redirected to the GRF. The ROADS Fund contribution from Motor Vehicle revenue, diesel fuel taxes and gasoline fuel taxes for FY 2022 is projected to be \$247.7M, \$53.9M and \$59.5M, respectively. FY 2023 is estimated to be \$259.7M, \$54.0M and \$57.0M, respectively. The schedule reflects the decreased Motor Vehicle revenue contribution to GRF and the offsetting increase in the personal income tax contribution to the GRF.

Pursuant to HB 1019XX passed during the Second Special Session in 2017, amending Title 68, Section 1403, the first \$20.5M in Use Taxes for FY 2020 and each year thereafter, will be apportioned to the Education Reform Revolving Fund (1017). These amounts have been removed from respective GRF use tax numbers.

Purpose of BOE

The Oklahoma State Constitution (Article X, Section 23) designates the Board of Equalization as the body responsible for carrying out the state's balanced budget procedures. The board sets certified revenue collections for prior years, sets expenditure limits for the governor and the Legislature based on current-year revenue estimates, and determines overall limit on expenditure growth from year-to-year. The board is comprised of the governor, lieutenant governor, treasurer, auditor and inspector, attorney general, superintendent of public instruction, and secretary of agriculture.

Pursuant to Section 23, the Board of Equalization must meet at least two times each fiscal year:

- “no more than 45 days but no less than 35 days before the start of the legislative session.”
- “within five days after the monthly apportionment in February of each year.”

The board can only meet again and adjust revenue estimates if the Legislature and governor enact laws during regular or special session that reduce or increase revenue certified by the board; transfer cash from one fund to another; or establish a new certified, appropriated fund. In practice, the board meets in June to incorporate legislative changes enacted during the legislative session and to re-certify revenue available for the coming fiscal year.

The Office of Management & Enterprise Services (OMES) compiles revenue projections from revenue-collecting agencies, analyzes the information, and presents the information to the board for its consideration and approval. Projections for the General Revenue Fund are estimated by the Tax Commission staff utilizing an economic model developed by Oklahoma State University, additional resources provided by Oklahoma-based research firm RegionTrack, and other national forecasts specific to the energy sector. Revenue estimates presented to the board are based on current and prior year collection trends, economic forecasts, federal and state tax law changes and other foreseeable factors.

Revenue certified and authorized at the December Board Meeting serves as the basis for the Governor's Executive Budget. The board considers possible revisions to the December estimate at the February meeting. Revisions are based on economic changes and additional collections data that have been noted since that time, which may increase or decrease anticipated revenue collections. The estimate approved at the February meeting set a binding limit on appropriations for the legislative session.