

State of Kansas Tax Collections \$40.2 million Above Estimates

Governor Laura Kelly announced that in its second month of Fiscal Year 2021, the State of Kansas continued to see total tax collections performing above estimates. Total tax collections for August were \$543.5 million. That is \$40.2 million, or 8.0%, more than the estimate. That is 9.3%, or \$46.3 million, ahead of last August.

“While this news shows that the steps we have taken to protect our economy are working, we have to remain fiscally cautious,” Governor Laura Kelly said. “The state of Kansas is still recovering from COVID-19 and we have to stay vigilant. That means all Kansans should wear a mask, practice social distancing and avoid mass gatherings so we can keep our schools and our businesses open.”

August's individual income tax collections were 12.9%, or \$31.0 million, more than the estimate with \$271.0 million collected. Compared to the same month last fiscal year, that is a 17.2%, or \$39.7 million in growth. Corporate income tax collections were 10.5% more than August of last fiscal year with \$7.3 million collected. That is \$2.3 million, or 46.9%, more than the estimate.

Retail sales tax collections were 2.5%, or \$5.1 million, more than the estimate with \$207.1 million collected. That is a \$1.8 million growth compared to the same month of last fiscal year. Compensating use tax collections were \$12.7 million, or 38.9%, more than last August with \$45.3 million collected. That is \$9.3 million more than estimated.

So far, the state has collected \$95.7 million in compensating use taxes for the fiscal year; a \$24.0 million, or 33.6%, increase compared to the same two months of last fiscal year.

"The year-over-year increase in compensating use tax collections demonstrates the importance of increasing the number of registrations by remote sellers," Secretary Mark Burghart said. "By increasing the number of out-of-state retailer registrations, we create fairness between out-of-state online retailers and main street Kansas."

The state is \$35.6 million, or 2.4%, ahead of projections for the year with \$1.5 billion in total tax collections for the fiscal year. When comparing total tax collections over the same timeframe to the previous fiscal year, the State of Kansas is \$531.0 million, or 53.5%, ahead of Fiscal Year 2020.

