



## **STATE GENERAL FUND (SGF) RECEIPTS** July through February, FY 2025

**Total receipts through February were \$215.9 million, or 3.5 percent, above the estimate.** The component of SGF receipts from taxes only was \$179.2 million, or 2.9 percent, above the estimate.

Three tax sources were above the estimate by more than \$1.0 million, and three tax sources were below the estimate by more than \$1.0 million. Those tax sources are **bolded** in the attached table.

**Individual income** tax receipts were **above** the estimate by **\$190.7 million**, or 6.9 percent. February saw strong growth in withholding receipts. SGF receipts from withholding taxes exceeded the February 2024 amount by 26.6 percent. However, individual income tax receipts also exceeded the estimate due to individual refunds being lower than anticipated.

SB 1 from the 2024 Special Session of the Kansas Legislature reduced individual income tax rates, exempted Social Security benefits from the income tax, and increased personal exemption and standard deduction amounts. These changes, which were retroactive to the start of tax year 2024, are anticipated to result in increased refunds to taxpayers. The Consensus Revenue Estimating Group anticipated these increased refunds to result in an acceleration of the tax filing season. While such acceleration and increased refunds do not appear to have materialized to date, they may still develop in coming months.

Year-to-date **Corporation income** tax receipts were **above** the estimate by **\$15.8 million**, or 2.3 percent. This is primarily attributable to strong estimated payments in the month of December.

**Insurance premiums taxes** were below the year-to-date estimate by \$23.4 million, or 18.4 percent. However, this is entirely attributable to **timing issues** and is anticipated to be resolved with March receipts.

For non-tax revenue sources, **interest exceeded** the estimate by \$28.1 million, **agency earnings** were **below** the estimate by \$2.8 million, and **net transfers** were **above** the estimate by \$11.4 million. Strong interest earnings continues to be driven by both elevated fund balances and higher-than-expected interest rates.

This is the fourth monthly report based on the revised estimate for FY 2025 made by the Consensus Revenue Estimating Group on November 15, 2024. The figures in both the Estimate and Actual columns under FY 2025 on the following table include receipts for the full fiscal year to date through November, so this report compares estimated and actual receipts for November 2024 through February 2025.

There has not been a Certificate of Indebtedness issued for FY 2025.

**STATE GENERAL FUND RECEIPTS**  
**July-February, FY 2025**  
(Dollars in Thousands)

	Actual FY 2024	FY 2025			Percent change relative to:	
		Estimate*	Actual	Difference	FY 2024	Estimate
<b>Income Taxes:</b>						
<b>Individual</b>	\$ 2,640,824	\$ 2,753,000	\$ 2,943,681	\$ 190,681	11.5 %	6.9 %
<b>Corporation</b>	770,993	694,000	709,781	15,781	(7.9)	2.3
Financial Inst.	22,654	22,000	22,180	180	(2.1)	0.8
<i>Total</i>	\$ 3,434,471	\$ 3,469,000	\$ 3,675,642	\$ 206,642	7.0 %	6.0 %
<b>Sales &amp; Use Taxes:</b>						
<b>Retail Sales</b>	\$ 1,825,541	\$ 1,757,000	\$ 1,752,855	\$ (4,145)	(4.0) %	(0.2) %
<b>Compensating Use</b>	583,569	605,000	606,536	1,536	3.9	0.3
<i>Total</i>	\$ 2,409,110	\$ 2,362,000	\$ 2,359,391	\$ (2,609)	(2.1) %	(0.1) %
<b>Other Excise Taxes:</b>						
<b>Cigarette</b>	\$ 60,691	\$ 56,300	\$ 54,818	\$ (1,482)	(9.7) %	(2.6) %
Tobacco Products	7,079	6,900	6,943	43	(1.9)	0.6
Liquor Gallonage	15,971	15,450	15,579	129	(2.5)	0.8
Liquor Enforcement	56,664	56,950	56,509	(441)	(0.3)	(0.8)
Liquor Drink	10,068	10,150	10,121	(29)	0.5	(0.3)
Gas Severance	(3,096)	160	812	652	126.2	407.6
Oil Severance	15,145	13,900	13,750	(150)	(9.2)	(1.1)
<i>Total</i>	\$ 162,522	\$ 159,810	\$ 158,532	\$ (1,278)	(2.5) %	(0.8) %
<b>Other Taxes:</b>						
<b>Insurance Premiums</b>	\$ 121,663	\$ 127,150	\$ 103,751	\$ (23,399)	(14.7) %	(18.4) %
Motor Carriers	7,655	7,660	7,699	39	0.6	0.5
Corporate Franchise	1,826	3,700	3,622	(78)	98.3	(2.1)
Miscellaneous	3,849	3,700	3,539	(161)	(8.0)	(4.4)
<i>Total</i>	\$ 134,993	\$ 142,210	\$ 118,612	\$ (23,598)	(12.1) %	(16.6) %
<b>Total Taxes</b>	\$ 6,141,096	\$ 6,133,020	\$ 6,312,177	\$ 179,157	2.8 %	2.9 %
<b>Other Revenue:</b>						
Interest	\$ 250,741	\$ 259,200	\$ 287,329	\$ 28,129	14.6 %	10.9 %
Transfers (net)	(319,749)	(359,870)	(348,494)	11,376	(9.0)	3.2
Agency Earnings & Misc	67,180	81,200	78,427	(2,773)	16.7	(3.4)
<b>Total Other Revenue</b>	\$ (1,828)	\$ (19,470)	\$ 17,262	\$ 36,732	1,044.2 %	188.7 %
<b>TOTAL RECEIPTS</b>	\$ 6,139,267	\$ 6,113,550	\$ 6,329,438	\$ 215,888	3.1 %	3.5 %

\* Consensus Estimate as of November 15, 2024.

Note: Details may not add to totals due to rounding.



**Kansas Legislative Research Department**

*Providing nonpartisan, objective research and fiscal analysis for the Kansas Legislature since 1934*

68-West-Statehouse | 300 SW 10th Ave. | Topeka, Kansas 66612-1504  
(785) 296-3181

[kslegres@klrd.ks.gov](mailto:kslegres@klrd.ks.gov)

<https://klrd.gov/>

March 3, 2025

The Quarterly Economic Indicators Report is published by the Kansas Legislative Research Department in conjunction with the State General Fund Receipts memorandum for the months of February, May, August, and November. The Report provides graphs regarding economic output and inflation, the labor economy, and a quarterly focus on one aspect of the economy of particular note.

Real gross domestic product (GDP) for the United States grew by 2.3 percent in the fourth quarter of 2024, the tenth consecutive quarter of growth. For calendar year 2024, U.S. GDP grew by 2.8 percent. This real growth is below the 2.9 percent growth in GDP in 2023, but exceeds the 2.5 percent growth in 2022.

For the third quarter of 2024, real Kansas GDP grew by 1.4 percent. Kansas' modest third quarter was buoyed by strong growth in retail trade, which was offset by a weak quarter for agriculture. The agricultural economy tends to be volatile in the short term. State GDP information is generally available on a one-quarter lag relative to national data.

Inflation remained steady at a modestly elevated level throughout the quarter. The Consumer Price Index (CPI) for the United States averaged annualized increases of 2.7 percent for the three months of the quarter, which is up from 2.6 percent in the previous quarter. After declining for much of 2023 and the early part of 2024, the rate of inflation appears to have stabilized at levels that exceed the target rate for the Federal Reserve, and actual price levels continue to substantially exceed those amounts from previous years.

The Kansas unemployment rate increased modestly throughout the quarter, averaging 3.5 percent after averaging 3.3 percent in the previous quarter. Conversely, the U.S. rate declined from an average of 4.2 percent in the third quarter to an average of 4.1 percent in the fourth quarter. Job growth in Kansas was mixed throughout the quarter, with a weak October offset by bouncebacks in November and December, but ultimately increased by a modest 700 jobs in total across the three months.

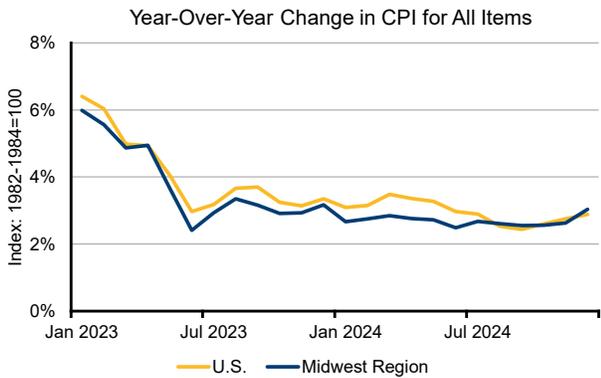
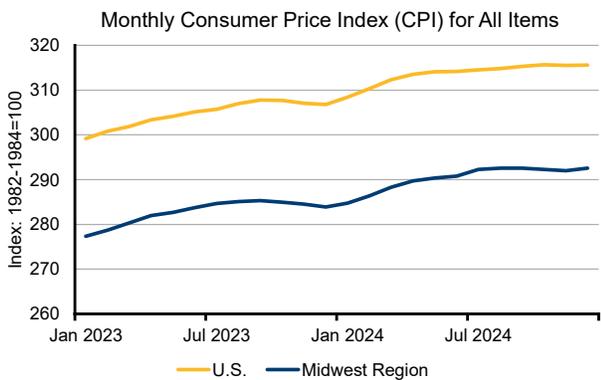
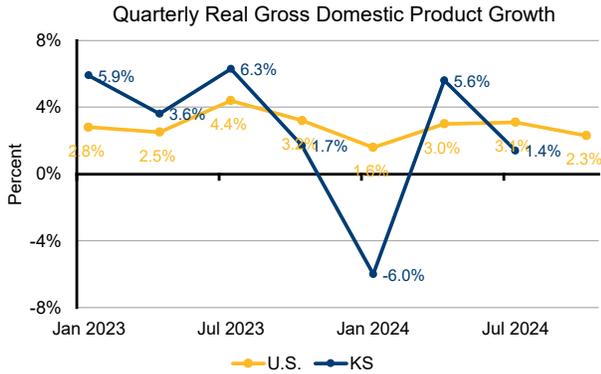
Kansas hourly wages averaged 5.5 percent growth throughout the quarter, and weekly wages averaged growth of 6.0 percent.

Data provided in the Report comes from the following sources: GDP data came from the U.S. Bureau of Economic Analysis, while CPI, employment, unemployment, jobs, and earnings data came from the U.S. Bureau of Labor Statistics. The residential rental inflation data included in the current Report is also from the U.S. Bureau of Labor Statistics.

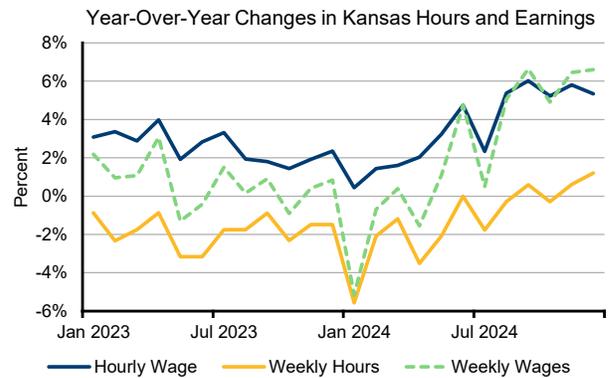
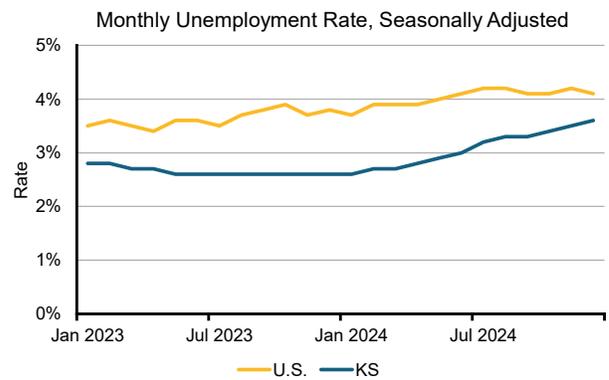
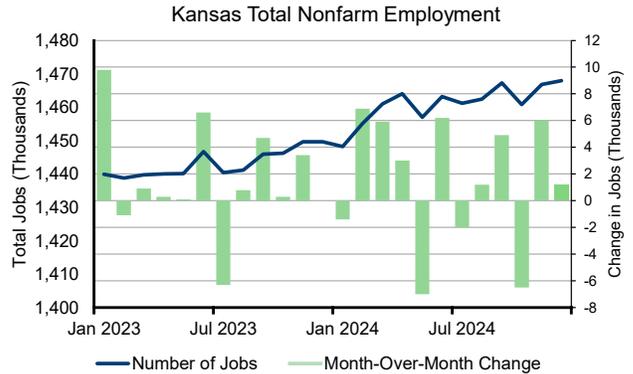
# QUARTERLY ECONOMIC INDICATORS

March 3, 2025

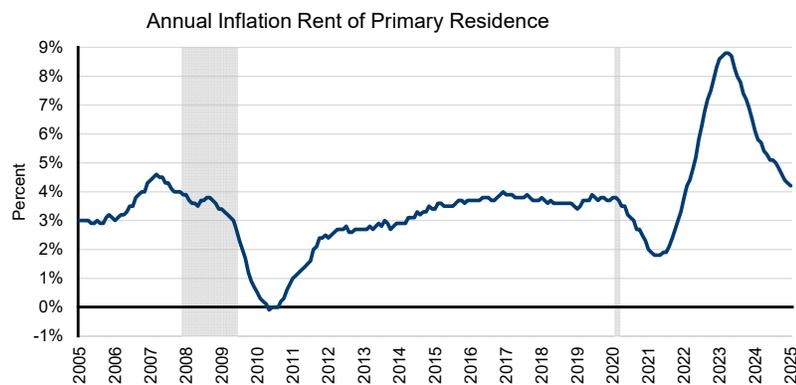
## Output and Inflation



## Labor Economy



## Quarterly Focus: Cost of Rental Housing



Changes in the housing market during and after the COVID-19 pandemic led to a period of rapid housing inflation.

From March 2021 to March 2023, the monthly growth in U.S. average cost of primary residence rent increased from 1.8 percent to 8.8 percent on an annual basis. Since that time, the monthly growth of rent costs has decreased to around 4.2 percent on an annual basis. In spite of this decrease, growth of rent costs remains elevated relative to the level of overall inflation.