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STATE GENERAL FUND (SGF) RECEIPTS

July through August, FY 2026

Total receipts through August of FY 2026 were $44.4 million, or 3.8 percent, above the estimate. The component of SGF receipts from taxes only was $47.4 million, or 3.6 percent, above the estimate.

Four tax sources were above the estimate by more than $1.0 million. Two 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 **$48.7 million**, or 7.4 percent. Withholding receipts continue to drive the strength of individual income taxes, as they exceeded the prior year amount for the month by 12.8 percent. Additionally, delayed refunds from tax year 2024 have been largely resolved and the extent of refunds remaining to be processed is in line with historical trends.

Corporation income tax receipts were **below** the estimate by **$18.3 million**, or 33.2 percent. The majority of this shortfall is attributable to lower-than-anticipated receipts in the previous month.

Sales and use taxes combined to **exceed** the yearly estimate by **$9.0 million**, or 1.6 percent.

For non-tax revenue sources, **interest exceeded** the estimate by $2.9 million, **net transfers** were **below** the estimate by $12.3 million, and **agency earnings** were **above** the estimate by $6.4 million. In each case, the year-to-date margin from the estimate was primarily attributable to receipt events in the previous month.

This is the second report based on the revised estimate for FY 2026 made by the Consensus Revenue Estimating Group on April 17, 2025, adjusted for legislation enacted after that date.

A Certificate of Indebtedness has not been issued for FY 2026.

STATE GENERAL FUND RECEIPTS
July-August, FY 2026
(Dollars in Thousands)

	Actual 2025	FY 2026 Estimate*	FY 2026 Actual	FY 2026 Difference	Percent change relative to: 2025	Percent change relative to: Estimate
Income Taxes:						
Individual	**$ 637,866**	**$ 660,000**	**$ 708,678**	**$ 48,678**	**11.1 %**	**7.4 %**
Corporation	**54,454**	**55,000**	**36,733**	**(18,267)**	**(32.5)**	**(33.2)**
Financial Inst.	**17**	**500**	**(862)**	**(1,362)**	**(5,185.2)**	**(272.4)**
Total	*$ 692,337*	*$ 715,500*	*$ 744,549*	*$ 29,049*	*7.5 %*	*4.1 %*
Sales & Use Taxes:						
Retail Sales	**$ 456,119**	**$ 430,000**	**$ 432,462**	**$ 2,462**	**(5.2) %**	**0.6 %**
Compensating Use	**143,567**	**147,000**	**153,543**	**6,543**	**6.9**	**4.5**
Total	*$ 599,686*	*$ 577,000*	*$ 586,005*	*$ 9,005*	*(2.3) %*	*1.6 %*
Other Excise Taxes:						
Cigarette	$ 16,416	$ 14,800	$ 14,191	$ (609)	(13.6) %	(4.1) %
Tobacco Products	1,771	1,780	1,792	12	1.2	0.7
Liquor Gallonage	4,024	4,200	4,032	(168)	0.2	(4.0)
Liquor Enforcement	14,265	14,300	14,121	(179)	(1.0)	(1.3)
Liquor Drink	2,551	2,520	2,522	2	(1.1)	0.1
Gas Severance	(963)	410	244	(166)	125.3	(40.5)
Oil Severance	2,042	1,000	867	(133)	(57.5)	(13.3)
Total	*$ 40,106*	*$ 39,010*	*$ 37,769*	*$ (1,241)*	*(5.8) %*	*(3.2) %*
Other Taxes:						
Insurance Premiums	**$ (10,832)**	**$ (20,000)**	**$ (8,891)**	**$ 11,109**	**17.9 %**	**55.5 %**
Motor Carriers	1,545	1,550	1,524	(26)	(1.4)	(1.7)
Corporate Franchise	2,077	1,110	749	(361)	(63.9)	(32.5)
Miscellaneous	961	930	808	(122)	(15.9)	(13.2)
Total	*$ (6,249)*	*$ (16,410)*	*$ (5,810)*	*$ 10,600*	*7.0 %*	*64.6 %*
Total Taxes	***$ 1,325,880***	***$ 1,315,100***	***$ 1,362,513***	***$ 47,413***	***2.8 %***	***3.6 %***
Other Revenue:						
Interest	$ 68,369	$ 48,700	$ 51,594	$ 2,894	(24.5) %	5.9 %
Transfers (net)	(266,336)	(189,800)	(202,118)	(12,318)	24.1	(6.5)
Agency Earnings & Misc	8,411	9,200	15,586	6,386	85.3	69.4
Total Other Revenue	***$ (189,555)***	***$ (131,900)***	***$ (134,938)***	***$ (3,038)***	***28.8 %***	***(2.3) %***
TOTAL RECEIPTS	**$ 1,136,325**	**$ 1,183,200**	**$ 1,227,575**	**$ 44,375**	**8.0 %**	**3.8 %**

* Consensus Estimate as of April 19, 2024, as further adjusted for subsequent legislation enacted after that date.

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

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September 3, 2025

The Quarterly Economic Indicators Report (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 increased by 3.3 percent in the second quarter of 2025, rebounding from a decline of 0.5 percent in the first quarter. The contributions to changes in GDP were almost an exact reversal of the previous quarter as the second quarter saw strength in net exports, which was partially offset by a decline in private inventories. Government spending was largely flat in the second quarter, and personal consumption expenditures rebounded from the first quarter but were below the average rate of growth in recent years.

For the first quarter of 2025, real Kansas GDP declined by 3.3 percent, which was consistent with declines across the Plains region. Agricultural production contributed the entirety of the net decline in Kansas GDP as all other components combined to show no change in GDP for Kansas. State GDP information is generally available on a one-quarter lag relative to national data.

Inflation was moderate for the second quarter as a whole, averaging 2.4 percent for the nation and 2.6 percent for the Midwest region. However the month of June saw sharper increases of 2.7 percent for the nation and 3.0 percent for the Midwest region.

The Kansas unemployment rate has maintained a consistent rate for 10 consecutive months, holding steady at 3.8 percent throughout the second quarter, and the U.S. rate averaged 4.2 percent in the quarter, up slightly from the 4.1 percent from the previous quarter. Kansas gained 5,200 jobs over the course of the three months of the quarter.

Kansas weekly wages averaged 6.7 percent growth throughout the second quarter, as both hourly wages and weekly hours increased in each month.

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 federal tax receipts on customs duties on imports data included in the current Report is also from the U.S. Bureau of Economic Analysis.

QUARTERLY ECONOMIC INDICATORS

September 3, 2025

Output and Inflation

Labor Economy

Quarterly Focus: Tariff Receipts

Federal receipts on customs duties on imports increased 242% year-over-year in the second quarter of 2025, which reflects a historically large increase on customs duties.

The revenue amount for the second quarter was $267.0 billion, at a seasonally adjusted annualized rate. The previous high amount for any quarter was $96.3 billion.