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68-West–Statehouse | 300 SW 10th Ave. | Topeka, Kansas 66612-1504
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STATE GENERAL FUND (SGF) RECEIPTS

July through December, FY 2026

Total receipts through December of FY 2026 were $57.1 million, or 1.2 percent, below the estimate. The component of SGF receipts from taxes only was $60.6 million, or 1.2 percent, below the estimate.

One tax source was above the estimate by more than $1.0 million. Four 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 **below** the estimate by **$29.1 million**, or 1.2 percent. Withholding tax receipts were approximately equal to the prior-year amount, after having consistently exceeded the prior-year amount in recent months. Additionally, refunds to taxpayers exceeded the prior-year amount by approximately $7.8 million.

Corporation income tax receipts were **below** the estimate by **$22.8 million**, or 4.4 percent. Some of this weakness came from SALT Parity Act taxpayers, who were below the prior-year amount by $24.8 million, or 14.9 percent. SALT Parity Act taxpayers had been showing strength in receipts compared with traditional corporation income taxpayers in recent months and this reversal will be closely monitored in coming months.

Sales and use taxes combined **were below** the yearly estimate by **$7.2 million**, or 0.4 percent. The weakness is primarily attributable to retail sales taxes. However, these tax sources had been behind the estimate through November by a greater amount due to timing issues and exceeded the December-only estimate. December receipts generally reflect transactions consummated in the month of November, and receipts associated with the balance of the holiday shopping season will be remitted to the state in January.

This is the second monthly report based on the revised estimate for FY 2026 made by the Consensus Revenue Estimating Group on November 13, 2025. The figures in both the Estimate and Actual columns under FY 2026 on the following table include receipts for the full fiscal year to date through December, so this report compares estimated and actual receipts for November and December 2025.

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

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

	Actual FY 2025	FY 2026 Estimate*	FY 2026 Actual	Difference	Percent change relative to: FY 2026	Percent change relative to: Estimate
Income Taxes:						
Individual	**$ 2,204,174**	**$ 2,403,000**	**$ 2,373,880**	**$ (29,120)**	**7.7 %**	**(1.2) %**
Corporation	**620,488**	**517,000**	**494,181**	**(22,819)**	**(20.4)**	**(4.4)**
Financial Inst.	**21,618**	**16,800**	**18,738**	**1,938**	**(13.3)**	**11.5**
Total	*$ 2,846,280*	*$ 2,936,800*	*$ 2,886,798*	*$ (50,002)*	*1.4 %*	*(1.7) %*
Sales & Use Taxes:						
Retail Sales	**$ 1,328,153**	**$ 1,278,000**	**$ 1,271,278**	**$ (6,722)**	**(4.3) %**	**(0.5) %**
Compensating Use	435,315	461,000	460,511	(489)	5.8	(0.1)
Total	*$ 1,763,468*	*$ 1,739,000*	*$ 1,731,788*	*$ (7,212)*	*(1.8) %*	*(0.4) %*
Other Excise Taxes:						
Cigarette	$ 43,496	$ 40,800	$ 40,196	$ (604)	(7.6) %	(1.5) %
Tobacco Products	5,239	5,270	5,259	(11)	0.4	(0.2)
Liquor Gallonage	12,097	12,300	12,359	59	2.2	0.5
Liquor Enforcement	42,411	41,800	41,852	52	(1.3)	0.1
Liquor Drink	7,692	7,690	7,761	71	0.9	0.9
Gas Severance	295	1,780	1,636	(144)	454.2	(8.1)
Oil Severance	12,614	10,300	9,740	(560)	(22.8)	(5.4)
Total	*$ 123,843*	*$ 119,940*	*$ 118,804*	*$ (1,136)*	*(4.1) %*	*(0.9) %*
Other Taxes:						
Insurance Premiums	**$ 77,255**	**$ 79,525**	**$ 77,982**	**$ (1,543)**	**0.9 %**	**(1.9) %**
Motor Carriers	5,087	5,180	4,666	(514)	(8.3)	(9.9)
Corporate Franchise	2,592	1,150	894	(256)	(65.5)	(22.3)
Miscellaneous	2,665	2,480	2,562	82	(3.9)	3.3
Total	*$ 87,598*	*$ 88,335*	*$ 86,104*	*$ (2,231)*	*(1.7) %*	*(2.5) %*
Total Taxes	***$ 4,821,189***	***$ 4,884,075***	***$ 4,823,494***	***$ (60,581)***	***0.0 %***	***(1.2) %***
Other Revenue:						
Interest	$ 224,206	$ 169,100	$ 171,183	$ 2,083	(23.6) %	1.2 %
Transfers (net)	(315,540)	(255,760)	(257,152)	(1,392)	18.5	(0.5)
Agency Earnings & Misc.	63,587	81,500	84,255	2,755	32.5	3.4
Total Other Revenue	***$ (27,747)***	***$ (5,160)***	***$ (1,713)***	***$ 3,447***	***93.8 %***	***66.8 %***
TOTAL RECEIPTS	**$ 4,793,442**	**$ 4,878,915**	**$ 4,821,781**	**$ (57,134)**	**0.6 %**	**(1.2) %**

* Consensus Estimate as of November 13, 2025.

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

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January 5, 2026

The Quarterly Economic Indicators Report (Report) is published by the Kansas Legislative Research Department, typically in conjunction with the State General Fund Receipts memorandum for the months of February, May, August, and November. However, due to delays in certain economic data associated with the federal government shutdown occurring in October and November of 2025, this quarter's report is being published in conjunction with the State General Fund Receipts memorandum for the month of December. 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 4.3 percent in the third quarter of 2025, growing off of an increase of 3.8 percent in the second quarter, which was revised upwards since previously reported. Personal consumption expenditures were the largest contributor to the growth in GDP in the third quarter, especially personal consumption expenditures on services, which had its largest contribution to GDP growth since the third quarter of 2022. Net exports also contributed positively to GDP growth for the second consecutive quarter.

For the second quarter of 2025, real Kansas GDP increased by 6.7 percent, rebounding from a decline in the preceding quarter. This represented the third-highest growth rate in the nation for the quarter, trailing only North Dakota and Texas. Agriculture and manufacturing were the strongest components for the state, but many economic sectors contributed positive growth. State GDP information is generally available on a one-quarter lag relative to national data.

Inflation ticked upwards slightly in the quarter, averaging 2.9 percent for the nation and 2.8 percent for the Midwest region, which follows on elevating inflation at the end of the previous quarter. The September inflation rate for the nation was its highest since May of 2024.

The Kansas unemployment rate has maintained a consistent rate for 13 consecutive months, holding steady at 3.8 percent throughout the third quarter, and the U.S. rate averaged 4.3 percent in the quarter, up slightly from 4.2 percent from the previous quarter. However, Kansas lost 5,100 nonfarm jobs over the course of the three months of the quarter, nearly offsetting gains made the previous quarter.

Kansas weekly wages averaged 4.4 percent growth throughout the third quarter, which is the most modest rate of growth since the third quarter of 2024.

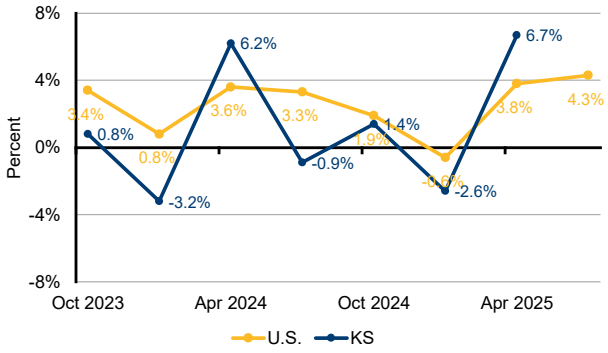
Data provided in the Report comes from the following sources: GDP data came from the U.S. Bureau of Economic Analysis, while consumer price index, employment, unemployment, jobs, and earnings data came from the U.S. Bureau of Labor Statistics. The interest rate data included in the current Report is from the Federal Reserve.

QUARTERLY ECONOMIC INDICATORS

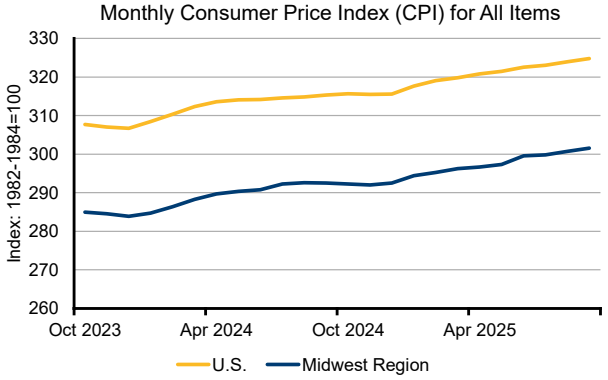
January 5, 2026

Output and Inflation

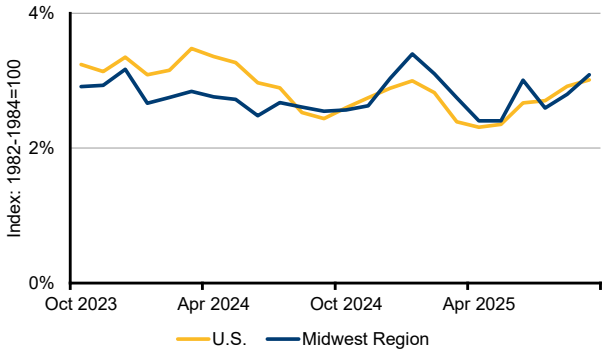
Quarterly Real Gross Domestic Product Growth



Monthly Consumer Price Index (CPI) for All Items

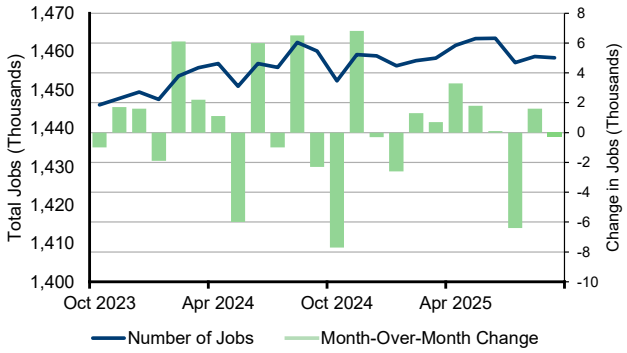


Year-Over-Year Change in CPI for All Items

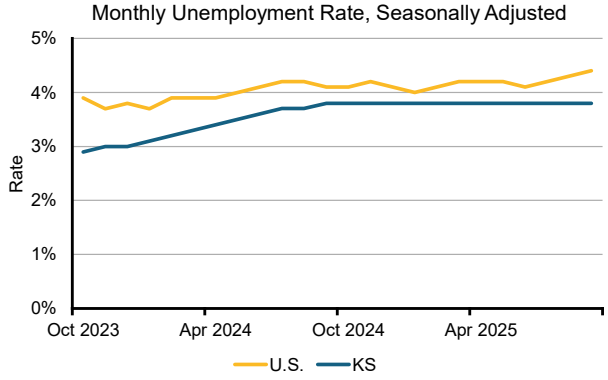


Labor Economy

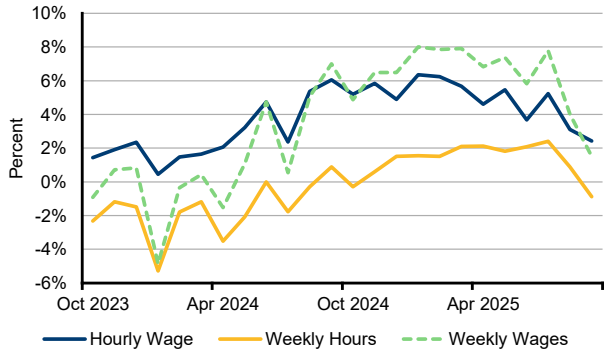
Kansas Total Nonfarm Employment



Monthly Unemployment Rate, Seasonally Adjusted

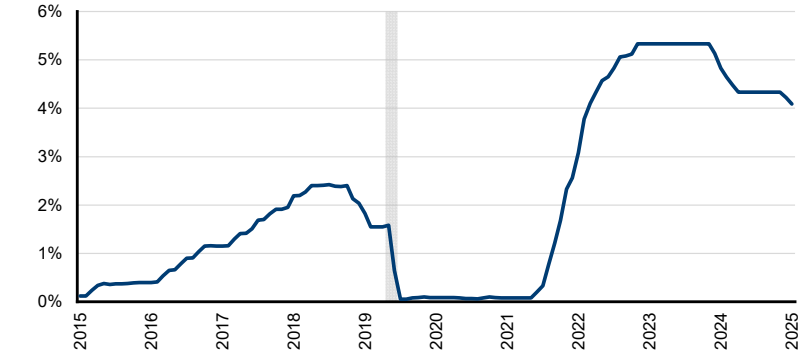


Year-Over-Year Changes in Kansas Hours and Earnings



Quarterly Focus: Monetary Policy

Daily Federal Funds Effective Interest Rate



In response to elevated levels of inflation as the economy reopened following the COVID-19 pandemic, the Federal Open Market Committee of the Federal Reserve System began increasing interest rates in March 2022 in an attempt to cool the economy and reduce inflation.

Although inflation has decreased significantly since its peak in 2022, it has persisted at levels above the target inflation rate of 2 percent for longer than initially expected.