



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
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STATE GENERAL FUND (SGF) RECEIPTS

July through August, FY 2027

Total receipts through August of FY 2027 were \$113.9 million, or 10.0 percent, above the estimate. The component of SGF receipts from taxes only was \$90.6 million, or 6.5 percent, above the estimate.

Five tax sources were above the estimate by more than \$1.0 million. One tax source was 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 **\$64.1 million**, or 8.7 percent. This strength is primarily driven by withholding taxes, which exceeded the prior-year amount for the month of August by 19.8 percent, or \$72.6 million. Some of this strength may be attributable to the timing of withholding remittances associated with months in which three biweekly pay periods conclude; however, the strength is also likely attributable to larger-than-expected real growth in withholding receipts. Coming months should be helpful in revealing the extent of these contributions to strength in this receipt category, especially September, which includes the first estimated payment due date of the fiscal year.

Corporation income tax receipts were **below** the estimate by **\$4.4 million**, or 10.9 percent. However, corporation income tax receipts were more in line with the prior-year amount, only lagging the year-to-date level by 1.3 percent. Corporation income taxes also contain the first estimated payment deadline of the fiscal year in the month of September.

Sales and use taxes combined were **above** the estimate by **\$22.4 million**, or 3.7 percent. Sales taxes were above the estimate by \$12.7 million, and use taxes exceeded the estimate by \$9.7 million.

Insurance premiums taxes **exceeded** the estimate by **\$8.1 million**. However, this excess continues to be largely attributable to tax payment timing issues that are likely to be resolved in the coming months.

Among non-tax receipts, **interest earnings** were **above** the estimate by **\$6.2 million**. This strength is attributable to interest from the Budget Stabilization Fund being deposited in the SGF earlier than was anticipated at the time of the estimate. Receipts from **net transfers** out of the SGF were **above** the estimate by **\$14.3 million**, which is primarily due to receipts in the prior month.

This is the second monthly report based on the revised estimate for FY 2027 made by the Consensus Revenue Estimating Group on April 20, 2026, adjusted for legislation enacted after that date.

A Certificate of Indebtedness was not issued for FY 2026.

STATE GENERAL FUND RECEIPTS
July-August, FY 2027
(Dollars in Thousands)

	Actual FY 2026	Estimate*	FY 2027 Actual	Difference	Percent change relative to:	
					2026	Estimate
Income Taxes:						
Individual	\$ 708,678	\$ 735,000	\$ 799,072	\$ 64,072	12.8 %	8.7 %
Corporation	36,733	40,700	36,257	(4,443)	(1.3)	(10.9)
Financial Inst.	(862)	200	1,546	1,346	279.3	673.1
<i>Total</i>	\$ 744,549	\$ 775,900	\$ 836,875	\$ 60,975	12.4 %	7.9 %
Sales & Use Taxes:						
Retail Sales	\$ 432,462	\$ 441,500	\$ 454,185	\$ 12,685	5.0 %	2.9 %
Compensating Use	153,543	158,800	168,529	9,729	9.8	6.1
<i>Total</i>	\$ 586,005	\$ 600,300	\$ 622,714	\$ 22,414	6.3 %	3.7 %
Other Excise Taxes:						
Cigarette	\$ 14,191	\$ 13,200	\$ 13,061	\$ (139)	(8.0) %	(1.1) %
Tobacco Products	1,792	1,800	1,782	(18)	(0.5)	(1.0)
Liquor Gallonage	4,032	4,470	4,498	28	11.5	0.6
Liquor Enforcement	14,121	14,570	14,005	(565)	(0.8)	(3.9)
Liquor Drink	2,522	2,990	2,643	(347)	4.8	(11.6)
Gas Severance	244	(120)	(114)	6	(146.6)	5.3
Oil Severance	867	3,750	3,345	(405)	285.6	(10.8)
<i>Total</i>	\$ 37,769	\$ 40,660	\$ 39,219	\$ (1,441)	3.8 %	(3.5) %
Other Taxes:						
Insurance Premiums	\$ (8,891)	\$ (17,000)	\$ (8,855)	\$ 8,145	0.4 %	47.9 %
Motor Carriers	1,524	1,510	1,665	155	9.2	10.2
Corporate Franchise	749	820	992	172	32.4	20.9
Miscellaneous	808	830	969	139	20.0	16.8
<i>Total</i>	\$ (5,810)	\$ (13,840)	\$ (5,229)	\$ 8,611	10.0 %	62.2 %
Total Taxes	\$ 1,362,513	\$ 1,403,020	\$ 1,493,578	\$ 90,558	9.6 %	6.5 %
Other Revenue:						
Interest	\$ 51,594	\$ 41,600	\$ 47,822	\$ 6,222	(7.3) %	15.0 %
Transfers (net)	(202,118)	(315,650)	(301,301)	14,349	(49.1)	4.5
Agency Earnings & Misc	15,586	14,870	17,613	2,743	13.0	18.4
Total Other Revenue	\$ (134,938)	\$ (259,180)	\$ (235,865)	\$ 23,315	(74.8) %	9.0 %
TOTAL RECEIPTS	\$ 1,227,575	\$ 1,143,840	\$ 1,257,714	\$ 113,874	2.5 %	10.0 %

* Consensus Estimate as of April 20, 2026, 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 1, 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. 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 1.5 percent in the second quarter of 2026. Additionally, GDP for the first quarter of 2026, which was initially reported to have grown at 1.6 percent, has now been revised up to 2.1 percent growth. Personal consumption expenditures was the largest contributor of growth, contributing 2.3 percent to the growth of the economy, while net exports of goods and services and government spending both contributed negatively to the growth of the economy.

For the first quarter of 2026, real Kansas GDP increased by 1.0 percent. For the past four quarters, growth has averaged 3.8 percent. Contrary to the national level, government spending, especially military spending, was a large contributor to the growth of the Kansas economy. Among private industries, manufacturing of both durable and non-durable goods contributed positive growth, which was partially offset by declines in agriculture and retail trade. State GDP information is generally available on a one-quarter lag relative to national data.

Inflation increased in the quarter, averaging 3.9 percent for the nation and 4.3 percent for the Midwest region. These were the highest levels of inflation since the second quarter of 2023.

The Kansas unemployment rate decreased slightly to 3.8 percent in the quarter after being 3.9 percent in the prior quarter. The U.S. rate averaged 4.3 percent for the quarter, down slightly from the previous quarter.

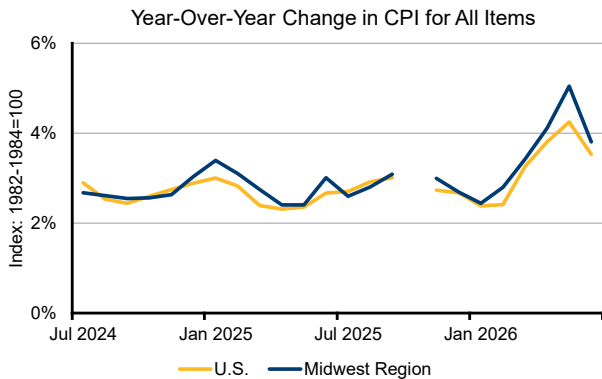
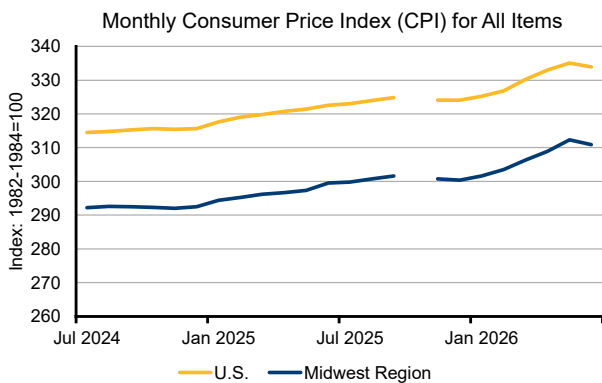
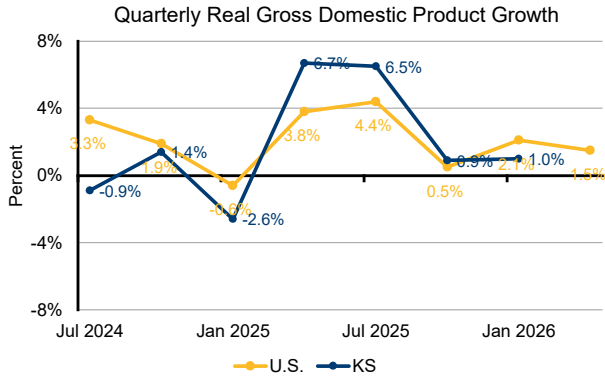
Kansas saw overall nonfarm job gains for the first quarter in the past year, adding 10,600 jobs during the quarter. Kansas weekly wage growth averaged 3.36 percent growth throughout the quarter.

Data provided in the Report comes from the following sources: GDP data came from the U.S. Bureau of Economic Analysis; and Consumer Price Index, employment, unemployment, jobs, and earnings data came from the U.S. Bureau of Labor Statistics. The energy inflation data included in the current Report is from the U.S. Bureau of Labor Statistics.

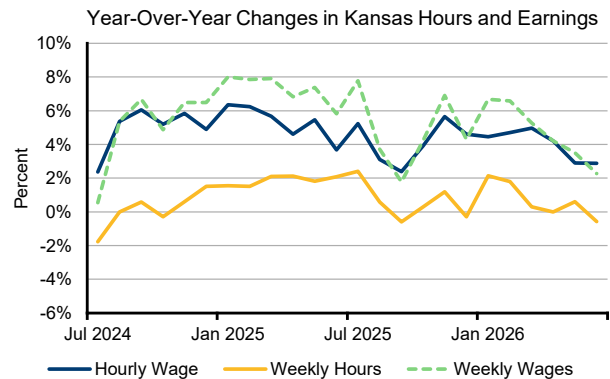
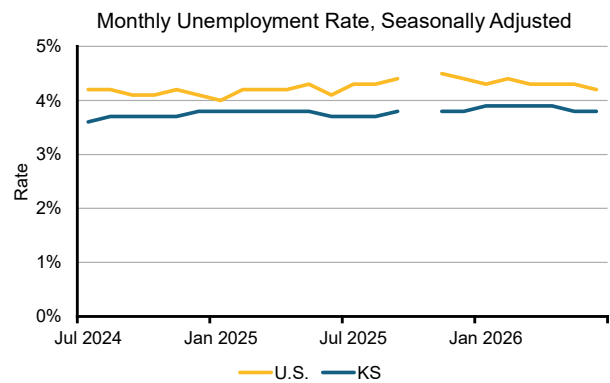
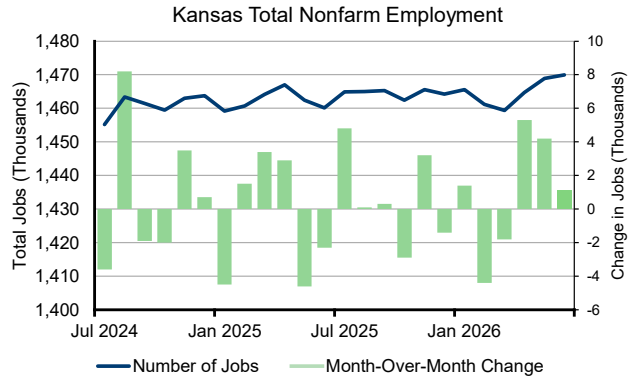
QUARTERLY ECONOMIC INDICATORS

September 1, 2026

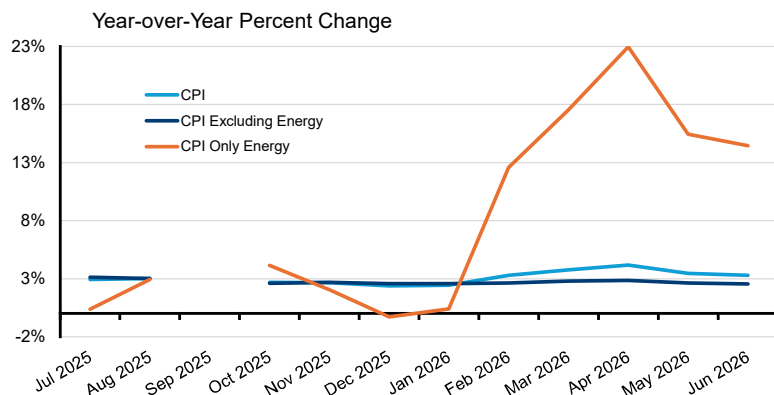
Output and Inflation



Labor Economy



Quarterly Focus: Energy Price Impact on Inflation



Following the substantially elevated inflation of 2021 through 2023, the annual increases to the Consumer Price Index remained stable but elevated for much of 2024 and 2025.

However, 2026 has seen inflation reaccelerate. This increase in inflation is largely driven by energy price increases. Absent these increases, which have consistently exceeded 12 percent, the Consumer Price Index would be increasing by amounts below 3 percent.