



**OKLAHOMA STATE TREASURER
KEN MILLER**

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Oklahoma Economy Rises Above Worldwide Chaos

OKLAHOMA CITY – In spite of external threats, volatile markets and global instability, Oklahoma’s economy is rising above the chaos, State Treasurer Ken Miller said today as he released the state’s monthly gross receipts report.

“With yet another month of healthy collections, it appears Oklahoma’s economy is hitting its stride,” Miller said.

October collections were 7.4 percent higher than in October of last year, showing steady improvement in the state’s economy. Collections over the past 12 months are up almost nine percent from the previous 12 months.

Miller said gross revenue, a reflection of the state’s economic performance, has grown for 20 consecutive months.

“We have regained almost 60 percent of the revenue that disappeared during the recession,” he said. “We saw a more than \$1.9 billion drop in 12-month receipts between December 2008 and February 2010. Since then, we have seen an increase of more than \$1.1 billion.”

Oklahoma: A positive example

As world financial markets react to uncertainty in Washington, Europe and the Middle East, Miller said Oklahoma’s economy is setting a positive example.

“Oklahoma’s two major revenue streams, income tax and sales tax, are showing remarkable resilience,” he said. “Income tax collections – up by almost 12 percent this month – show Oklahomans are making more money, and sales tax collections – up by almost nine percent – show we are also gaining confidence.”

Miller said the latest Business Conditions Index for Oklahoma continues to reflect a positive outlook for the state’s economy. The index for October shows anticipated growth for the next three to six months.

By contrast, the index for a nine-state region of the Midwest and Plains, of which Oklahoma is a member, dipped slightly below the positive benchmark. Oklahoma and North Dakota, both energy-rich states, continue to outperform the other states in the region.

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“In spite of record levels of money circulating throughout our economy, core inflation in the region is at its lowest level since the end of the recession,” Miller said. “Low price levels help both consumers and policymakers as we work our way back to fiscal health.”

The nine-state region includes Arkansas, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota and Oklahoma.

In September, statewide unemployment was set at 5.9 percent, an increase of 0.3 percent from the previous month. National unemployment held steady at 9.1 percent. Oklahoma’s seasonally-adjusted unemployment is down by one percent compared to September of last year.

Miller said the increase in unemployment is likely another sign of economic improvement.

“The slight uptick can be interpreted as a sign of recovery and renewed optimism for employment prospects, as formerly discouraged job seekers reentered the labor force,” he said.

Figures from the Bureau of Labor Statistics show that in September 7,920 Oklahomans began looking for employment and 3,240 were successful in obtaining a job.

Collections in all major categories increased in October, except for gross production. However, Miller said the decrease was expected as remittances from the tax on oil and natural gas production reflect prices and volumes from two to three months ago.

October collections

The revenue report for October shows gross collections at \$838.01 million, up \$57.5 million or 7.4 percent from October of last year.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$269.27 million, an increase of \$28.21 million or 11.7 percent from the previous October.

Personal income tax collections for the month are \$239.56 million, up \$11.49 million or 5 percent from the prior year. Corporate collections are \$29.71 million, an increase of \$16.72 million or 128.7 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$324.31 million in October. That is \$25.59 million or 8.6 percent above October of last year.

Gross production taxes on oil and natural gas generated \$68.36 million in October, a decrease of \$9.44 million or 12.1 percent from last October. Compared to September reports, gross production collections are down by \$19.19 million or 28.1 percent.

Due to a technical glitch in electronic funds transfers, \$8.32 million in gross production taxes were remitted in October but not recorded until November. If recorded in October, gross production collections would have been \$76.68 million, a reduction of \$1.12 million or 1.4 percent from the previous year.

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Motor vehicle taxes produced \$52.2 million, up by \$6.05 million or 13.1 percent from the prior year.

Other collections, consisting of about 60 different sources including taxes on fuel, tobacco, horse race gambling and alcoholic beverages, produced \$123.87 million during the month. That is \$7.09 million or 6.1 percent higher than last October.

Twelve-month collections

In the past 12 months, gross revenue totals \$10.49 billion. That is \$844.14 million or 8.7 percent higher than the 12-month period ending in October 2010.

Gross income taxes generated \$3.596 billion for the 12 months, reflecting an increase of \$349.77 million or 10.8 percent from the trailing 12 months.

Personal income tax collections total \$3.121 billion, up by \$219.27 million or 7.6 percent from the prior 12 months. Corporate collections are \$475.33 million for the period, an increase of \$130.5 million or 37.8 percent over the previous 12 months.

Sales taxes for the period generated \$3.798 billion, an increase of \$270.35 million or 7.7 percent from the prior 12-month period.

Oil and gas gross production tax collections brought in \$1.035 billion during the 12 months, up by \$106.98 million or 11.5 percent from the previous period. If the \$8.32 million in gross production remitted in October but recorded in November were included, 12-month collections in the category would have been \$1.043 billion, an increase of \$115.3 million or 12.4 percent from the prior 12 months.

Motor vehicle collections total \$648.24 million for the period. This is an increase of \$46.59 million or 7.7 percent from the trailing 12 months.

Other sources generated \$1.414 billion, up \$70.45 million or 5.2 percent from the previous period.

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Gross Receipts to Treasury

PRELIMINARY

MONTHLY COMPARISON

SUMMARY October 2011
Variance From Prior Year

(In \$ millions)

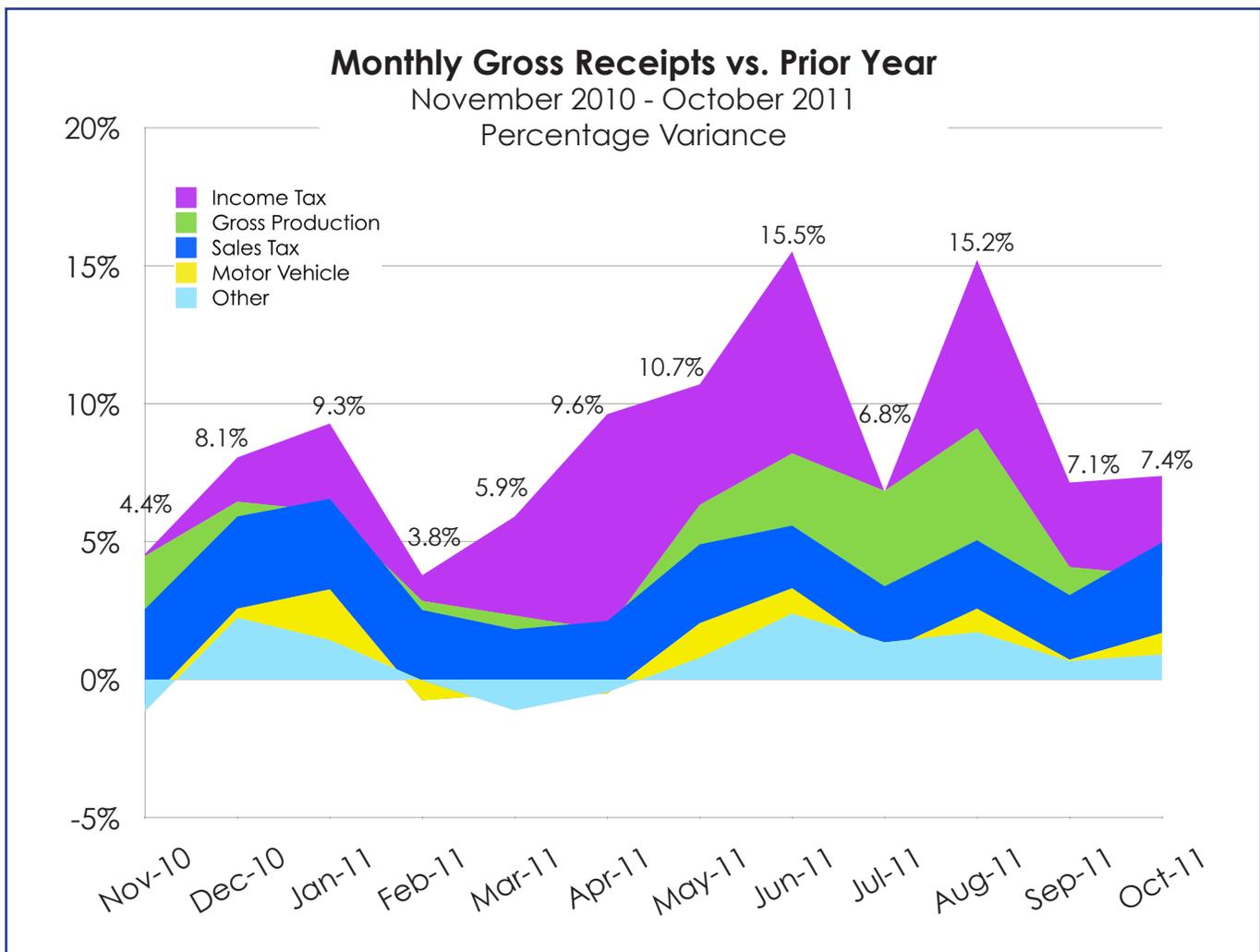
	October-10	October-11	\$	%
Income Tax	241.06	269.27	28.21	11.7%
Gross Production	77.80	68.36*	-9.44	-12.1%
Sales Tax (1)	298.72	324.31	25.59	8.6%
Motor Vehicle	46.15	52.20	6.05	13.1%
Other Sources (2)	116.79	123.87	7.09	6.1%
TOTAL REVENUE	780.51	838.01	57.50	7.4%

(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC

Details may not sum due to rounding.

* Excludes \$8.32 million remitted in October but not recorded until November. If recorded in October, Gross Production receipts would be \$76.68 million, down by \$1.12 million or 1.4 percent from the previous year.



Gross Receipts to Treasury

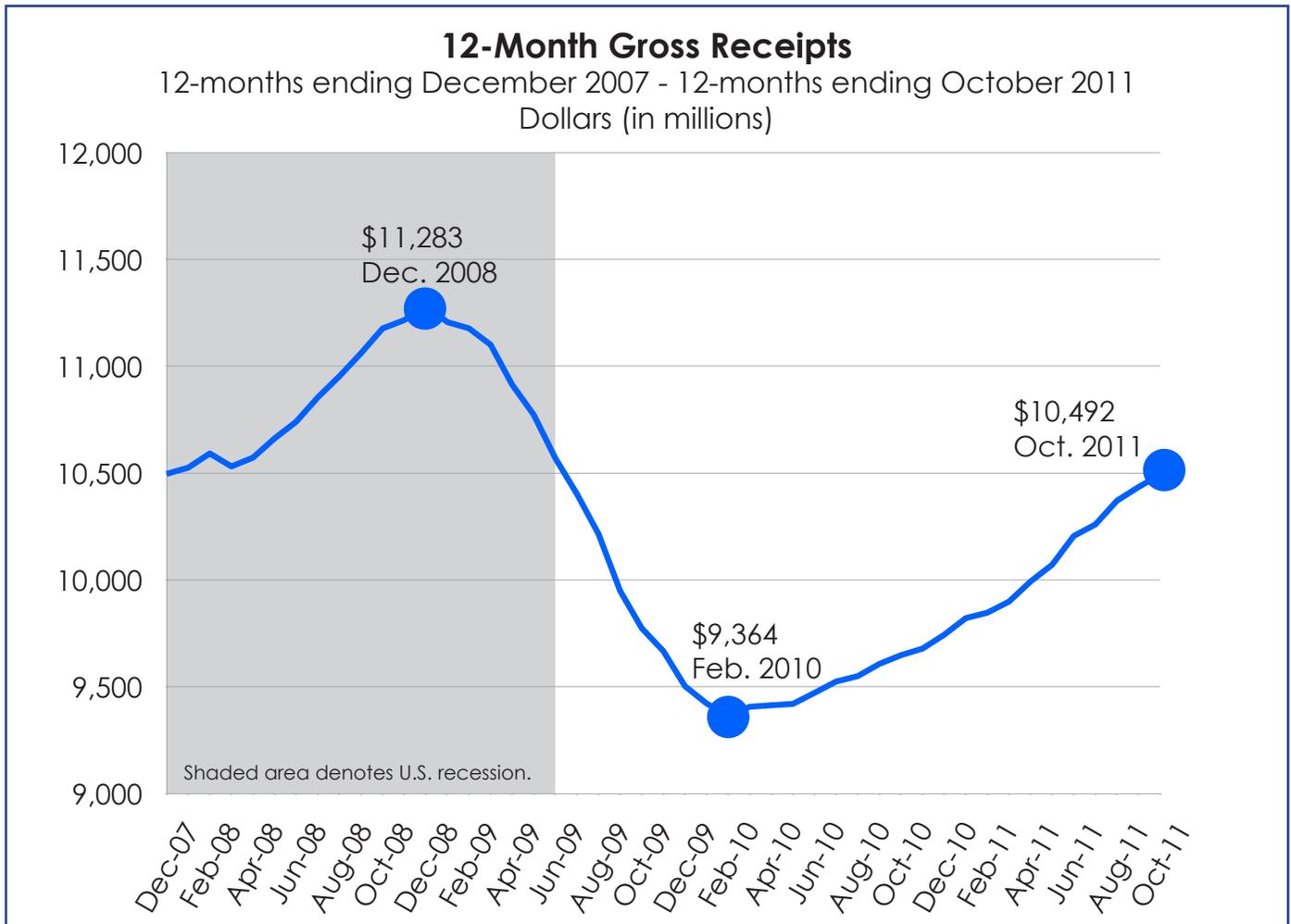
PRELIMINARY (In \$ millions)	12 Month Period Ending October		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	Nov 2009 - Oct 2010	Nov 2010 - OCT 2011	\$	%
Income Tax	3,246.42	3,596.19	349.77	10.8%
Gross Production	928.02	1,035.00 *	106.98	11.5%
Sales Tax (1)	3,527.55	3,797.90	270.35	7.7%
Motor Vehicle	601.66	648.24	46.59	7.7%
Other Sources (2)	1,343.97	1,414.43	70.45	5.2%
TOTAL REVENUE	9,647.62	10,491.77	844.14	8.7%

* Excludes \$8.32 million remitted in October but not recorded until November. If recorded in October, Gross Production receipts would be \$1.043 billion, up by \$115.3 million or 12.4 percent from the previous 12-month period.

(1) Includes Collections for Counties and Municipalities

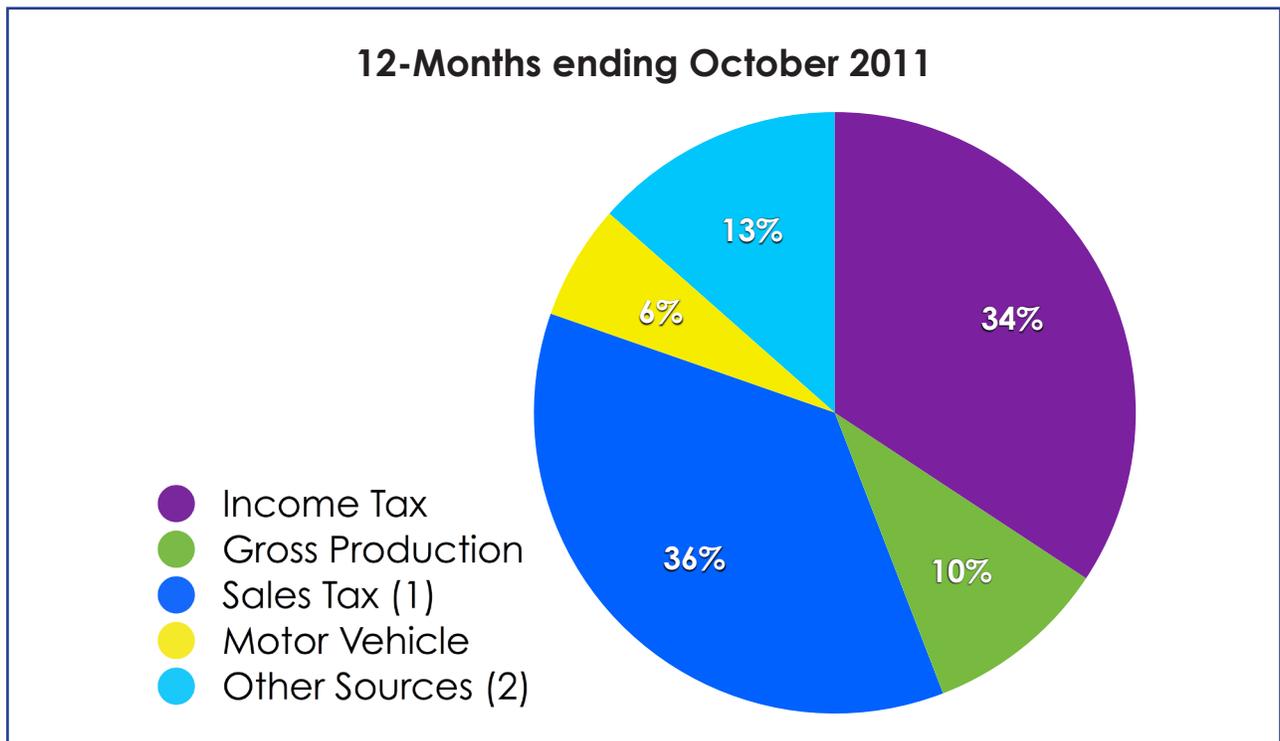
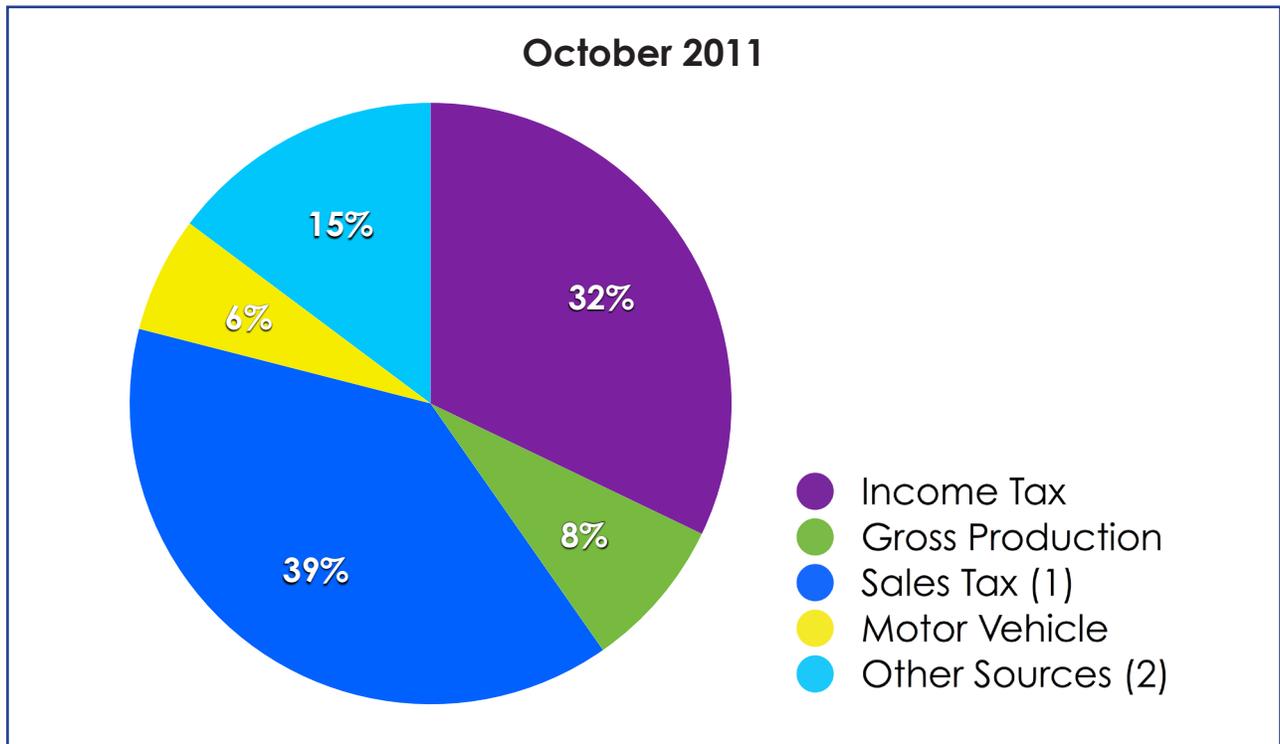
(2) Gross Collections from OTC

Details may not sum due to rounding.



Gross Receipts to Treasury

Revenue Sources as Percentage of Whole



(1) Includes Collections for Counties and Municipalities

(2) Gross Collections from OTC