

State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Commissioner Linda M. Hodgdon

September
FY 2009

Monthly Revenue Summary

	<u>FY 09</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 194.9	\$ 241.2	\$ (46.3)
Highway	\$ 20.6	\$ 22.7	\$ (2.1)
Fish & Game	\$ 0.5	\$ 0.6	\$ (0.1)

Current Month Analysis

General & Education Funds	<i>FY 09 Actuals</i>	<i>FY 09 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$ 60.7	\$ 77.5	\$ (16.8)
Business Enterprise Tax	22.1	44.0	(21.9)
Subtotal	82.8	121.5	(38.7)
Meals & Rooms Tax	24.9	25.7	(0.8)
Tobacco Tax	16.3	16.3	-
Liquor Sales and Distribution	11.6	11.5	0.1
Interest & Dividends Tax	19.6	18.8	0.8
Insurance Tax	1.3	0.9	0.4
Communications Tax	5.6	6.9	(1.3)
Real Estate Transfer Tax	9.4	14.8	(5.4)
Estate & Legacy Tax	(0.1)	-	(0.1)
Court Fines & Fees	2.4	2.9	(0.5)
Securities Revenue	0.6	0.5	0.1
Utility Tax	0.5	0.5	-
Board & Care Revenue	2.0	1.3	0.7
Beer Tax	1.2	1.3	(0.1)
Racing Revenue	0.2	0.3	(0.1)
Other	3.2	4.1	(0.9)
Transfers from Lottery	6.5	7.3	(0.8)
Transfers from Pari-Mutuel	-	0.1	(0.1)
Tobacco Settlement	-	-	-
Utility Property Tax	6.4	5.1	1.3
State Property Tax	-	-	-
Subtotal	194.4	239.8	(45.4)
Net Medicaid Enhancement Rev	0.2	0.1	0.1
Recoveries	0.3	1.3	(1.0)
Total	\$ 194.9	\$ 241.2	\$ (46.3)

Fiscal 2008 amounts are UNAUDITED
All funds reported in Millions and on a Cash Basis

Unrestricted revenue for the General and Education Funds received during September totaled \$194.9 million, which was below the plan by \$46.3 million and below prior year by \$12.7 million. Year to date unrestricted revenue totaled \$394.9 million, which was also below plan by \$56.8 million and prior year by \$9.8 million.

Business Tax collections for September totaled \$82.8 million, which were \$38.7 million below plan and \$10.4 million below prior year. Year to date business tax collections were also below both plan and prior year by \$36.9 million and \$7.2 million, respectively. According to the Department of Revenue Administration (DRA), 3rd quarter estimated payments from corporate taxpayers came in significantly less than anticipated. Audit revenue accounted for approximately \$1.8 million for the month and \$5.4 million year to date. In addition, Business Tax refunds processed for the month were \$1.5 million and \$4.2 million year to date. Final returns, for calendar year corporations that filed for extensions last March, are due in October. DRA is currently analyzing business tax receipts activity as compared to estimates.

Revenue from the **Tobacco Tax** came in at plan this month and totaled \$16.3, and was ahead of the prior year by \$0.1 million. On a year to date basis Tobacco Tax is tracking \$2.0 million or 4% below plan. For the period July 1, 2008 through September 30, 2008, Tobacco Tax revenue reported totaled \$48.0 million which was less than the \$50 million threshold stipulated in Chapter 296:17, Laws of 2008. Pursuant to the Law, the Commissioner of DRA has until October 15, 2008 to certify the amount of tobacco tax revenue received for the period. Therefore, beginning in October, the tax on a package of cigarettes may increase 25 cents to \$1.33 per pack if the threshold is not certified.

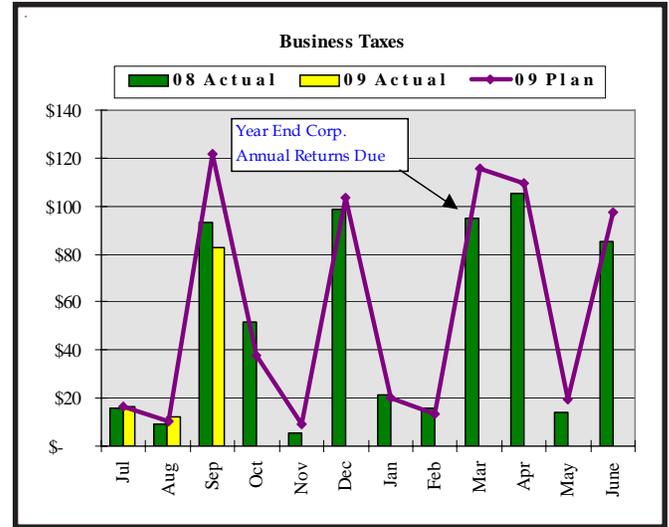
Liquor Sales for September were \$11.6 million bringing year to date revenue to \$36.9 million, \$2.4 million below plan but \$1.0 million above prior year. Due to an error in reporting Liquor Sales in this report last month, Liquor sales, were understated by \$1.1 million in August.

Interest & Dividends Tax (I&D) receipts were \$0.8 million above plan for the month and \$3.1 million above prior year. On a YTD basis, I&D is tracking \$2.0 million or 10% above plan and \$4.0 million or 22% above prior year.

September **Real Estate Transfer Tax (RET)** collections, of \$9.4 million, were below plan by \$5.4 million and below prior year by \$4.1 million. On a YTD basis, RET is \$13.7 million or 31% behind plan and \$8.8 million (22%) behind prior year. (See RET table on page 2)

The status of the Education Trust Fund balance can be seen on page 3. The beginning balance is preliminary and unaudited. The required quarterly transfer to the **Education Fund** from the general fund for Business Taxes, totaling \$40.2 million, was processed this month. The first education grant payment to schools due September 1 for \$105.5 million is reflected as well. The next education grant payment is due November 1.

RET Growth Analysis (In Millions)			
	Jul	Aug	Sep
FY 09	11.5	9.9	9.4
FY 08	12.9	13.2	13.5
FY 07	16.5	12.3	13.5
FY 09 Plan	15.2	14.5	14.8
Month over(under) plan	(3.7)	(4.6)	(5.4)
% Month over(under) Plan	-24%	-32%	-36%
YTD over(under) Plan	(3.7)	(8.3)	(13.7)
% YTD over(under) Plan	-24%	-28%	-31%
% YTD over(under) Prior Year	-11%	-18%	-22%



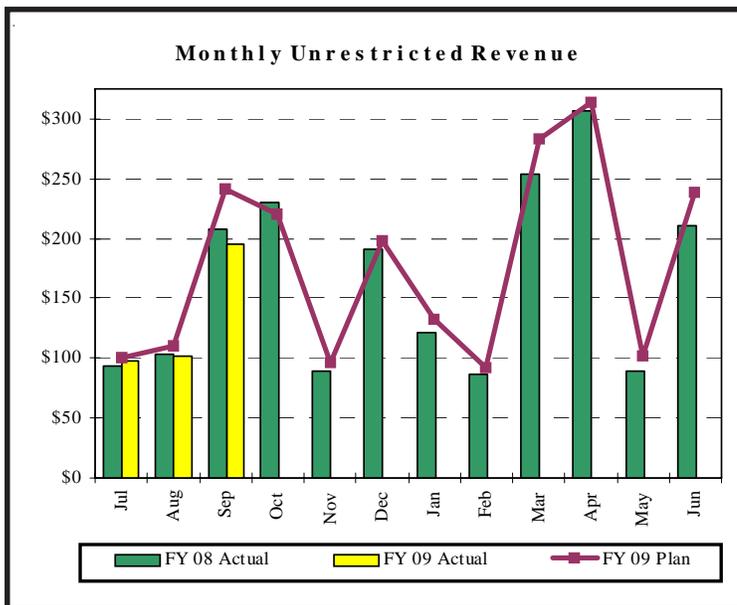
General & Education Funds Comparison to FY 08

General & Education Funds	Monthly			Year-to-Date			% Inc/(Dec)
	FY09 Actuals	FY08 Actuals	Inc/(Dec)	FY09 Actuals	FY08 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 60.7	\$ 62.1	\$ (1.4)	\$ 69.3	\$ 67.8	\$ 1.5	2.2%
Business Enterprise Tax	22.1	31.1	(9.0)	42.0	50.7	(8.7)	-17.2%
Subtotal	82.8	93.2	(10.4)	111.3	118.5	(7.2)	-6.1%
Meals & Rooms Tax	24.9	24.5	0.4	67.9	67.4	0.5	0.7%
Tobacco Tax	16.3	16.2	0.1	48.0	49.3	(1.3)	-2.6%
Liquor Sales and Distribution	11.6	10.4	1.2	36.9	35.9	1.0	2.8%
Interest & Dividends Tax	19.6	16.5	3.1	22.3	18.3	4.0	21.9%
Insurance Tax	1.3	1.4	(0.1)	3.1	2.8	0.3	10.7%
Communications Tax	5.6	6.5	(0.9)	19.9	19.1	0.8	4.2%
Real Estate Transfer Tax	9.4	13.5	(4.1)	30.8	39.6	(8.8)	-22.2%
Estate & Legacy Tax	(0.1)	0.1	(0.2)	-	0.1	(0.1)	-100.0%
Court Fines & Fees	2.4	2.7	(0.3)	7.4	8.3	(0.9)	-10.8%
Securities Revenue	0.6	0.4	0.2	1.6	1.5	0.1	6.7%
Utility Tax	0.5	0.4	0.1	1.5	1.4	0.1	7.1%
Board & Care Revenue	2.0	1.8	0.2	5.4	4.6	0.8	17.4%
Beer Tax	1.2	1.5	(0.3)	3.8	4.0	(0.2)	-5.0%
Racing Revenue	0.2	0.3	(0.1)	0.7	0.9	(0.2)	-22.2%
Other	3.2	4.5	(1.3)	9.8	11.5	(1.7)	-14.8%
Transfers from Lottery	6.5	8.0	(1.5)	11.8	13.9	(2.1)	-15.1%
Transfers from Pari-Mutuel	-	0.1	(0.1)	-	0.2	(0.2)	-100.0%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	6.4	4.9	1.5	7.5	5.0	2.5	50.0%
State Property Tax	-	-	-	-	-	-	-
Subtotal	194.4	206.9	(12.5)	389.7	402.3	(12.6)	-3.1%
Net Medicaid Enhancement Rev	0.2	0.2	-	1.9	0.3	1.6	533.3%
Recoveries	0.3	0.5	(0.2)	3.3	2.1	1.2	57.1%
Total	\$ 194.9	\$ 207.6	\$ (12.7)	\$ 394.9	\$ 404.7	\$ (9.8)	-2.4%



Year-to-Date Analysis

General & Education Funds	General			Education			Total		
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan
Business Profits Tax	\$ 57.1	\$ 69.3	\$ (12.2)	\$ 12.2	\$ 17.0	\$ (4.8)	\$ 69.3	\$ 86.3	\$ (17.0)
Business Enterprise Tax	14.0	14.4	(0.4)	28.0	47.5	(19.5)	42.0	61.9	(19.9)
Subtotal	71.1	83.7	(12.6)	40.2	64.5	(24.3)	111.3	148.2	(36.9)
Meals & Rooms Tax	65.7	69.0	(3.3)	2.2	2.6	(0.4)	67.9	71.6	(3.7)
Tobacco Tax	18.6	17.2	1.4	29.4	32.8	(3.4)	48.0	50.0	(2.0)
Liquor Sales and Distribution	36.9	39.3	(2.4)	-	-	-	36.9	39.3	(2.4)
Interest & Dividends Tax	22.3	20.3	2.0	-	-	-	22.3	20.3	2.0
Insurance Tax	3.1	2.5	0.6	-	-	-	3.1	2.5	0.6
Communications Tax	19.9	20.7	(0.8)	-	-	-	19.9	20.7	(0.8)
Real Estate Transfer Tax	20.6	29.7	(9.1)	10.2	14.8	(4.6)	30.8	44.5	(13.7)
Estate & Legacy Tax	-	-	-	-	-	-	-	-	-
Court Fines & Fees	7.4	8.4	(1.0)	-	-	-	7.4	8.4	(1.0)
Securities Revenue	1.6	1.4	0.2	-	-	-	1.6	1.4	0.2
Utility Tax	1.5	1.7	(0.2)	-	-	-	1.5	1.7	(0.2)
Board & Care Revenue	5.4	3.5	1.9	-	-	-	5.4	3.5	1.9
Beer Tax	3.8	3.9	(0.1)	-	-	-	3.8	3.9	(0.1)
Racing Revenue	0.7	0.9	(0.2)	-	-	-	0.7	0.9	(0.2)
Other	9.8	11.0	(1.2)	-	-	-	9.8	11.0	(1.2)
Transfers from Lottery	-	-	-	11.8	14.6	(2.8)	11.8	14.6	(2.8)
Transfers from Pari-Mutuel	-	-	-	-	0.2	(0.2)	-	0.2	(0.2)
Tobacco Settlement	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	7.5	5.1	2.4	7.5	5.1	2.4
State Property Tax	-	-	-	-	-	-	-	-	-
Subtotal	288.4	313.2	(24.8)	101.3	134.6	(33.3)	389.7	447.8	(58.1)
Net Medicaid Enhancement Rev	1.9	0.3	1.6	-	-	-	1.9	0.3	1.6
Recoveries	3.3	3.6	(0.3)	-	-	-	3.3	3.6	(0.3)
Total	\$ 293.6	\$ 317.1	\$ (23.5)	\$ 101.3	\$ 134.6	\$ (33.3)	\$ 394.9	\$ 451.7	\$ (56.8)



Education Trust Fund Statement of Activity - FY 2009 July 1, 2008 to September 30, 2008	
Description	In Millions
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	101.3
Expenditures	
Education Grants & Adm Costs	(108.8)
Ending Surplus (Deficit)	\$ (7.5)

Fiscal 2009 Adequate Education Grant payments of \$527.4 million are paid 20% September 1, 20% November 1, 30% January 1 and 30% April 1. An additional \$363.0 million of grants are retained locally through the Statewide Property Tax.

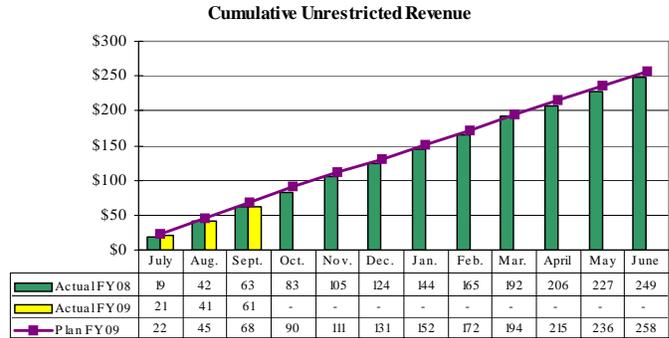
Excluding State Property Tax



Year-to-Date Analysis

Highway Fund

Revenue Category	FY 09 Actuals	FY 09 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 34.2	\$ 36.7	\$ (2.5)
Miscellaneous	1.5	3.6	(2.1)
Motor Vehicle Fees			
MV Registrations	19.0	20.3	(1.3)
MV Operators	3.3	3.4	(0.1)
Inspection Station Fees	0.9	1.0	(0.1)
MV Miscellaneous Fees	1.0	1.1	(0.1)
Certificate of Title	1.2	1.4	(0.2)
Total Fees	25.4	27.2	(1.8)
Total	\$ 61.1	\$ 67.5	\$ (6.4)

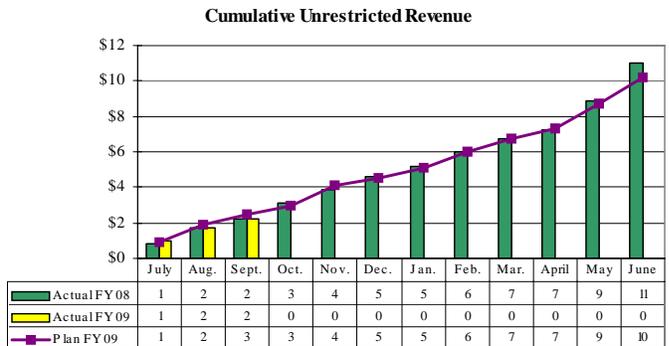


Gasoline Road Toll is tracking \$2.5 million below plan year to date. According to Road Toll Operations, fuel consumption is below estimates and is tracking 4.9% below the same period last fiscal year.

According to the Department of Transportation, the **Miscellaneous** category is below plan due to timing of federal indirect cost billings and cross billings to other departments.

Fish & Game Fund

Revenue Category	FY 09 Actuals	FY 09 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 1.8	\$ 1.9	\$ (0.1)
Fines and Penalties	-	-	-
Miscellaneous Sales	0.3	0.4	(0.1)
Federal Recoveries Indirect Costs	0.1	0.2	(0.1)
Total	\$ 2.2	\$ 2.5	\$ (0.3)



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