

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Commissioner Linda M. Hodgdon
Comptroller Edgar R. Carter



Monthly Revenue Summary

	<u>FY 10</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 587.6	\$ 594.2	\$ (6.6)
Highway	\$ 32.7	\$ 25.4	\$ 7.3
Fish & Game	\$ 0.6	\$ 0.8	\$ (0.2)

Current Month Analysis

General & Education Funds	<i>FY10 Actuals</i>	<i>FY10 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$ 46.7	53.0	\$ (6.3)
Business Enterprise Tax	28.7	30.6	(1.9)
Subtotal Business Taxes	75.4	83.6	(8.2)
Meals & Rooms Tax	16.6	17.5	(0.9)
Tobacco Tax	19.1	15.1	4.0
Transfer from Liquor Commission	8.8	8.2	0.6
Interest & Dividends Tax	2.8	3.1	(0.3)
Insurance Tax	70.6	71.8	(1.2)
Communications Tax	7.3	5.6	1.7
Real Estate Transfer Tax	4.4	4.8	(0.4)
Court Fines & Fees	1.5	1.1	0.4
Securities Revenue	1.7	2.2	(0.5)
Utility Consumption Tax	0.5	0.6	(0.1)
Board & Care Revenue	1.5	1.7	(0.2)
Beer Tax	0.9	0.8	0.1
Racing & Games of Chance	0.4	0.3	0.1
Other	6.9	5.9	1.0
Gambling Winnings Tax	0.7	0.4	0.3
Transfer from Lottery Commission	4.0	6.2	(2.2)
Transfer from Racing & Charitable Gaming	-	0.1	(0.1)
Tobacco Settlement	-	-	-
Utility Property Tax	0.7	-	0.7
State Property Tax	363.2	363.0	0.2
Subtotal Traditional Taxes & Transfers	587.0	592.0	(5.0)
Net Medicaid Enhancement Revenue	-	0.1	(0.1)
Recoveries	0.6	2.1	(1.5)
Total Receipts	\$ 587.6	\$ 594.2	\$ (6.6)

The General and Education Funds receipts for March totaled \$587.6 million, below plan by \$6.6 million (1.1%) and below prior year by \$5.0 million (0.8%). On a year to date basis, receipts totaling \$1,635.2 million were below plan by \$56.2 million (3.3%) and below prior year by \$11.8 million (0.7%).

Business Tax collections for March were \$75.4 million, \$8.2 million (9.8%) below plan and \$3.9 million (4.9%) below prior year. Year to date business tax collections were below plan and prior year by \$21.2 million (6.4%) and \$16.6 million (5.1%), respectively. Next month, non-corporate taxpayer returns are due with first quarter estimated payments.

The **Meals and Rooms Tax** collections for the month were below plan by \$0.9 million (5.1%), a smaller shortfall that we have seen in any other month during 2010. This was above prior year by \$2.0 million (13.7%). Year to date collections are tracking \$17.8 million (9.1%) below plan but \$12.9 million (7.8%) above prior year.

Real Estate Transfer (RET) tax was \$4.4 million in March, short of plan by \$0.4 million (8.3%) and exceeding prior year by \$0.7 million (18.9%). This revenue category has exceeded plan three out of the last four months, and met or exceeded prior year for the fourth consecutive month. The total \$63.8 million year to date still lags plan and prior year by \$2.5 million (3.8%) and \$4.8 million (7.0%), respectively.

Increased **Tobacco Tax** rates resulted in collections for March of \$19.1 million, above plan by \$4.0 million (26.5%) and above prior year by \$3.3 million (20.9%). On a year to date basis, the Tobacco Tax is tracking above plan and prior year by \$13.9 million (8.3%) and \$36.3 million (25.0%), respectively. Increased tax rates have resulted in additional year to date revenues of approximately \$48 million (33%) over last year. This has been offset in part by a 17% decline in unit sales from 2009 levels.

Insurance Tax receipts for March were \$1.2 million (1.7%) below plan and \$8.3 million (10.5%) below prior year. Year to date revenues of \$83.0 million were \$2.7 million (3.2%) below plan and \$7.9 million (8.7%) below prior year. Variance to plan results from reported taxable premiums lower than anticipated, while the main factor in the variance from prior year relates to the reduction in the statutory tax rate.

Transfers from Lottery continue to lag as March transfers were \$2.2 million below plan bringing year to date transfers to \$6.7 million (13.5%) below plan and \$2.9 million (6.3%) below prior year.

In March, the state received, under its collection arrangement with municipalities, \$363.2 million of **State Property Taxes** (see Education Trust Fund analysis). This is a major funding source of Adequate Education Grants which are advanced quarterly back to Cities and Towns. The final such advance of approximately \$150 million is due April 1, and will be funded with revenue sources through the remainder of the year.

Also during March, the Community College System of New Hampshire (CCSNH) paid \$1.0 million, not included in general fund receipts reported herein, as statutorily required administrative services cost reimbursement under CH 143:17.

	RET Analysis								
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
FY 10	9.0	8.3	7.6	8.1	7.1	7.3	7.4	4.6	4.4
FY 09	11.5	9.9	9.4	8.1	8.8	6.6	6.5	4.1	3.7
FY 08	12.9	13.2	13.5	9.6	11.4	8.6	8.7	6.7	5.8
FY 10 Plan	9.0	9.0	9.4	8.1	8.8	6.6	6.5	4.1	4.8
Month over(under) plan	-	(0.7)	(1.8)	-	(1.7)	0.7	0.9	0.5	(0.4)
% Month over(under) Plan	0%	-8%	-19%	0%	-19%	11%	14%	12%	-8%
YTD over(under) Plan	-	(0.7)	(2.5)	(2.5)	(4.2)	(3.5)	(2.6)	(2.1)	(2.5)
% YTD over(under) Plan	0%	-4%	-9%	-7%	-9%	-7%	-5%	-3%	-4%
% YTD over(under) Prior Year	-22%	-19%	-19%	-15%	-16%	-13%	-10%	-8%	-7%

	Business Tax Refund Analysis								
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
FY10	1.6	1.2	2.1	3.6	6.3	5.2	7.2	6.4	3.7
FY09	1.3	1.4	1.5	5.3	11.3	3.6	4.7	6.2	3.3
FY08	1.8	4.6	1.6	3.3	8.3	3.3	9.6	2.2	3.6
Mo over Mo	0.3	(0.2)	0.6	(1.7)	(5.0)	1.6	2.5	0.2	0.4
YTD Growth (decline)	0.3	0.1	0.7	(1.0)	(6.0)	(4.4)	(1.9)	(1.7)	(1.3)

	Liquor Net Profit Analysis								
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
FY 2009 Gross	12.9	11.3	12.7	12.7	10.5	18.7	11.1	9.9	10.0
FY 2009 Net	9.0	9.3	8.9	10.3	7.9	16.4	6.0	6.3	7.2
Change	(3.9)	(2.0)	(3.8)	(2.4)	(2.6)	(2.3)	(5.1)	(3.6)	(2.8)

General & Education Funds Comparison to FY 09

General & Education Funds	Monthly			Year-to-Date			% Inc/(Dec)
	FY10 Actuals	FY09 Actuals	Inc/(Dec)	FY10 Actuals	FY09 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 46.7	\$ 54.9	\$ (8.2)	\$ 193.1	\$ 204.0	\$ (10.9)	-5.3%
Business Enterprise Tax	28.7	24.4	4.3	118.0	123.7	(5.7)	-4.6%
Subtotal Business Taxes	75.4	79.3	(3.9)	311.1	327.7	(16.6)	-5.1%
Meals & Rooms Tax	16.6	14.6	2.0	177.3	164.4	12.9	7.8%
Tobacco Tax	19.1	15.8	3.3	181.3	145.0	36.3	25.0%
Transfer from Liquor Commission	8.8	7.2	1.6	89.5	81.3	8.2	10.1%
Interest & Dividends Tax	2.8	3.0	(0.2)	42.5	51.7	(9.2)	-17.8%
Insurance Tax	70.6	78.9	(8.3)	83.0	90.9	(7.9)	-8.7%
Communications Tax	7.3	5.5	1.8	58.1	61.7	(3.6)	-5.8%
Real Estate Transfer Tax	4.4	3.7	0.7	63.8	68.6	(4.8)	-7.0%
Court Fines & Fees	1.5	2.2	(0.7)	10.0	21.1	(11.1)	-52.6%
Securities Revenue	1.7	1.8	(0.1)	13.5	14.7	(1.2)	-8.2%
Utility Consumption Tax	0.5	0.6	(0.1)	4.5	4.6	(0.1)	-2.2%
Board & Care Revenue	1.5	1.9	(0.4)	15.0	15.3	(0.3)	-2.0%
Beer Tax	0.9	0.7	0.2	9.7	9.5	0.2	2.1%
Racing & Games of Chance	0.4	0.2	0.2	1.9	1.6	0.3	18.8%
Other	6.9	6.3	0.6	38.6	43.9	(5.3)	-12.1%
Gambling Winnings Tax	0.7	-	0.7	1.8	-	1.8	-
Transfer from Lottery Commission	4.0	4.5	(0.5)	42.9	45.8	(2.9)	-6.3%
Transfer from Racing & Charitable Gaming	-	0.1	(0.1)	0.8	0.9	(0.1)	-11.1%
Tobacco Settlement	-	-	-	-	3.6	(3.6)	-100.0%
Utility Property Tax	0.7	0.2	0.5	16.5	15.9	0.6	3.8%
State Property Tax	363.2	363.7	(0.5)	363.2	363.7	(0.5)	-0.1%
Subtotal Traditional Taxes & Transfers	587.0	590.2	(3.2)	1,525.0	1,531.9	(6.9)	-0.5%
Net Medicaid Enhancement Rev	-	0.1	(0.1)	97.9	101.1	(3.2)	-3.2%
Recoveries	0.6	2.3	(1.7)	12.3	14.0	(1.7)	-12.1%
Total Receipts	\$ 587.6	\$ 592.6	\$ (5.0)	\$ 1,635.2	\$ 1,647.0	\$ (11.8)	-0.7%

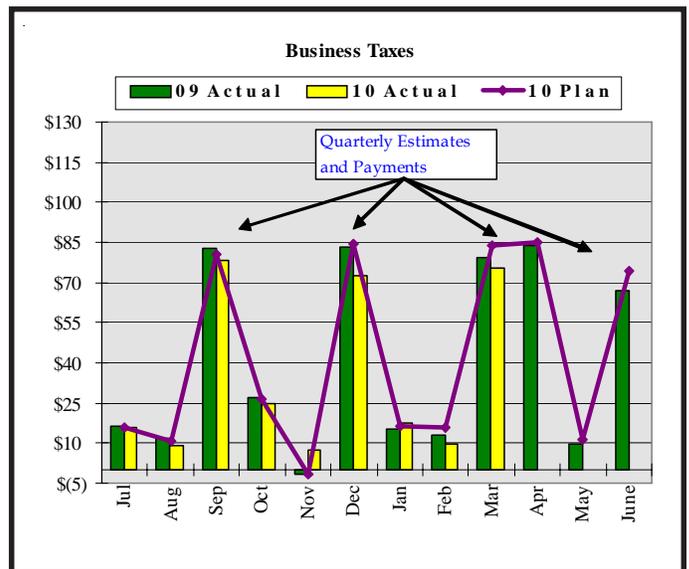
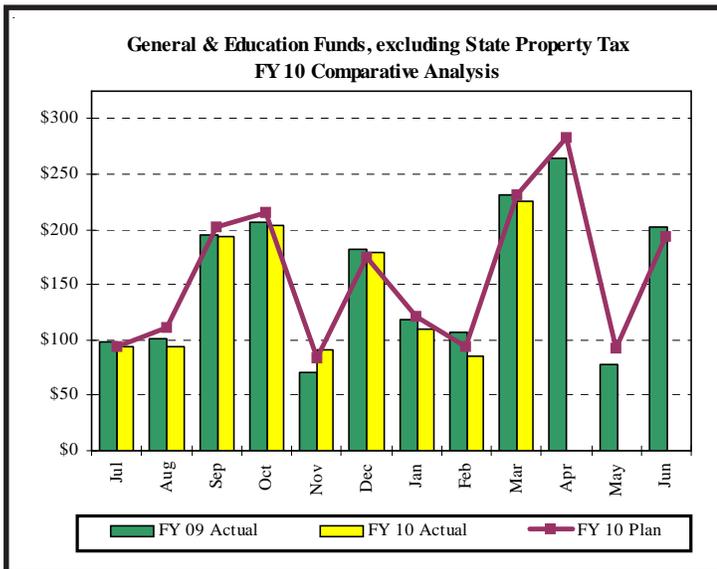
Fiscal 2010 amounts are unaudited. All funds reported on a cash basis, in Millions, except for percentage amounts.



General and Education Funds

Year-to-Date Comparison to Plan

General & Education Funds	General			Education			Total		
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan
Business Profits Tax	\$ 159.4	\$ 168.8	\$ (9.4)	\$ 33.7	\$ 36.0	\$ (2.3)	\$ 193.1	\$ 204.8	\$ (11.7)
Business Enterprise Tax	40.9	45.5	(4.6)	77.1	82.0	(4.9)	118.0	127.5	(9.5)
Subtotal Business Taxes	200.3	214.3	(14.0)	110.8	118.0	(7.2)	311.1	332.3	(21.2)
Meals & Rooms Tax	173.3	188.9	(15.6)	4.0	6.2	(2.2)	177.3	195.1	(17.8)
Tobacco Tax	91.8	92.2	(0.4)	89.5	75.2	14.3	181.3	167.4	13.9
Transfer from Liquor Commission	89.5	89.2	0.3	-	-	-	89.5	89.2	0.3
Interest & Dividends Tax	42.5	53.0	(10.5)	-	-	-	42.5	53.0	(10.5)
Insurance Tax	83.0	85.7	(2.7)	-	-	-	83.0	85.7	(2.7)
Communications Tax	58.1	62.5	(4.4)	-	-	-	58.1	62.5	(4.4)
Real Estate Transfer Tax	42.2	44.2	(2.0)	21.6	22.1	(0.5)	63.8	66.3	(2.5)
Court Fines & Fees	10.0	10.2	(0.2)	-	-	-	10.0	10.2	(0.2)
Securities Revenue	13.5	14.7	(1.2)	-	-	-	13.5	14.7	(1.2)
Utility Consumption Tax	4.5	4.5	-	-	-	-	4.5	4.5	-
Board & Care Revenue	15.0	15.1	(0.1)	-	-	-	15.0	15.1	(0.1)
Beer Tax	9.7	9.7	-	-	-	-	9.7	9.7	-
Racing & Games of Chance	1.9	2.6	(0.7)	-	-	-	1.9	2.6	(0.7)
Other	38.6	39.8	(1.2)	-	-	-	38.6	39.8	(1.2)
Gambling Winnings Tax	1.8	1.5	0.3	-	-	-	1.8	1.5	0.3
Transfer from Lottery Commission	-	-	-	42.9	49.6	(6.7)	42.9	49.6	(6.7)
Transfer from Racing & Charitable Gaming	-	-	-	0.8	0.8	-	0.8	0.8	-
Tobacco Settlement	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	16.5	13.4	3.1	16.5	13.4	3.1
State Property Tax	-	-	-	363.2	363.0	0.2	363.2	363.0	0.2
Subtotal Traditional Taxes & Transfers	875.7	928.1	(52.4)	649.3	648.3	1.0	1,525.0	1,576.4	(51.4)
Net Medicaid Enhancement Rev	97.9	99.0	(1.1)	-	-	-	97.9	99.0	(1.1)
Recoveries	12.3	16.0	(3.7)	-	-	-	12.3	16.0	(3.7)
Total Receipts	\$ 985.9	\$ 1,043.1	\$ (57.2)	\$ 649.3	\$ 648.3	\$ 1.0	\$ 1,635.2	\$ 1,691.4	\$ (56.2)



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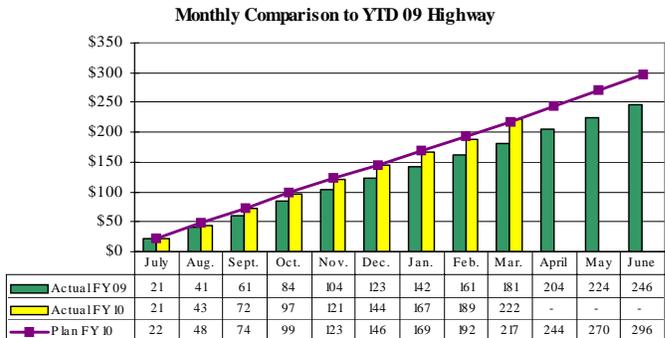
Selected Fund Analyses

Education Trust Fund Statement of Activity - FY 2010 July 1, 2009 to March 31, 2010	
Description	Amount
Beginning Surplus (Deficit)	\$ -
Unrestricted Revenue - See above	649.3
Expenditures	
Education Grants & Adm Costs	(806.3)
Ending Surplus (Deficit)	\$ (157.0)

Fiscal 2010 Adequate Education Grant payments of \$594.0 million are paid 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.0 million of grants through local retention of Statewide Property Tax collections.

Highway Fund

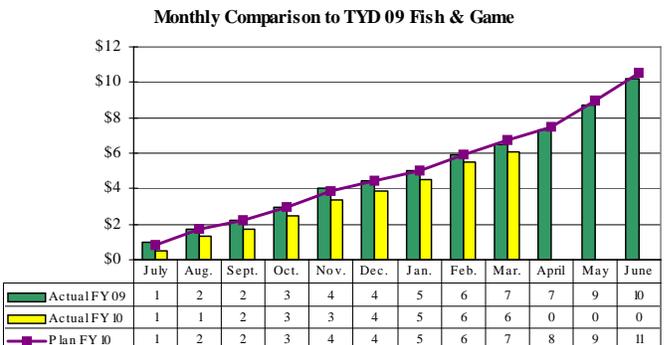
Comparison to Plan			
Revenue Category	FY 10 Actuals	FY 10 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 93.7	\$ 95.5	\$ (1.8)
Miscellaneous	20.1	12.8	7.3
Motor Vehicle Fees			
MV Registrations	81.9	81.0	0.9
MV Operators	9.1	9.5	(0.4)
Inspection Station Fees	2.8	2.8	-
MV Miscellaneous Fees	9.2	10.1	(0.9)
Certificate of Title	5.3	5.6	(0.3)
Total Fees	108.3	109.0	(0.7)
Total	\$ 222.1	\$ 217.3	\$ 4.8



According to **Road Toll** Operations, fuel consumption is below estimates and is tracking 1.1% below the same period last fiscal year. **Miscellaneous** receipts include \$4.7 million of unbudgeted retroactive Turnpike toll credits.

Fish & Game Fund

Comparison to Plan			
Revenue Category	FY 10 Actuals	FY 10 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 5.0	\$ 5.4	\$ (0.4)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.5	0.8	(0.3)
Federal Recoveries Indirect Costs	0.5	0.4	0.1
Total	\$ 6.1	\$ 6.7	\$ (0.6)



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