

State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Linda M. Hodgdon, Commissioner

Karen L. Benincasa, Comptroller



Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 13</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 85.4	\$ 91.3	\$ (5.9)
Highway	\$ 22.3	\$ 21.8	\$ 0.5
Fish & Game	\$ 1.4	\$ 1.5	\$ (0.1)

Current Month

General & Education Funds	<i>FY 13</i> <i>Actuals</i>	<i>FY 13</i> <i>Plan</i>	<i>Actual vs.</i> <i>Plan</i>	<i>%</i> <i>Inc/(Dec)</i>
Business Profits Tax	\$ 5.1	\$ 9.0	\$ (3.9)	-43.3%
Business Enterprise Tax	3.8	5.6	(1.8)	-32.1%
Subtotal Business Taxes	8.9	14.6	(5.7)	-39.0%
Meals & Rentals Tax	17.7	16.1	1.6	9.9%
Tobacco Tax	16.6	18.6	(2.0)	-10.8%
Transfer from Liquor Commission	10.9	11.5	(0.6)	-5.2%
Interest & Dividends Tax	(0.3)	0.2	(0.5)	-250.0%
Insurance Tax	0.7	(1.0)	1.7	-170.0%
Communications Tax	4.1	7.0	(2.9)	-41.4%
Real Estate Transfer Tax	7.2	6.4	0.8	12.5%
Court Fines & Fees	1.3	1.3	-	0.0%
Securities Revenue	1.9	2.2	(0.3)	-13.6%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	1.1	1.8	(0.7)	-38.9%
Beer Tax	1.1	0.9	0.2	22.2%
Other	5.5	5.1	0.4	7.8%
Transfer from Lottery Commission	5.3	5.5	(0.2)	-3.6%
Transfer from Racing & Charitable Gaming	0.2	0.3	(0.1)	-33.3%
Tobacco Settlement	-	-	-	
Utility Property Tax	0.2	-	0.2	100.0%
State Property Tax	-	-	-	
Subtotal Traditional Taxes & Transfers	82.9	91.0	(8.1)	-8.9%
Net Medicaid Enhancement Revenue	2.0	-	2.0	100.0%
Recoveries	0.5	0.3	0.2	66.7%
Total Receipts	\$ 85.4	\$ 91.3	\$ (5.9)	-6.5%

All funds reported on a cash basis, dollars in millions.

Analysis

Total unrestricted revenue of the General and Education Funds for May totaled \$85.4 million and were below plan by \$5.9 million and below prior year by \$8.1 million. Year to date (YTD) receipts from traditional taxes (exclusive of MET, Recoveries, MtBE and additional Tobacco Settlement) were \$32.2 million or 1.7% ahead of plan. Total YTD revenues (including MET and Recoveries but excluding MtBE and the additional Tobacco Settlement of \$20.8 million) of \$2,022.6 million are slightly above plan and above prior year by \$67.0 million (3.4%).

Business Tax collections, net of refunds issued, for May totaled \$8.9 million, below the plan by \$5.7 million and below prior year by \$5.6 million. The Department of Revenue (DRA) reports that monies received this month with returns and extensions were 26% below May of last year and estimated payments were down 34%; however, it appears that some taxpayers may have paid earlier this year (in April) as compared to the prior year. On a YTD basis, revenue from business taxes are above both plan and prior year, by \$22.9 million (5.2%) and \$27.4 million (6.3%), respectively. As compared to prior year, DRA reports YTD receipts from returns & extensions are up approximately 11%, and estimates are up 5%.

Net Meals and Rentals Tax (M&R) receipts this month came in above both plan and prior year. As can be seen in the chart on page 2, gross revenue receipts for the month, before the effect of Debt Service transfers, were 7.4% above prior year and YTD is tracking \$8.6 million or 3.7% above prior year.

Tobacco Tax revenue for the month of May was below plan and prior year. Per DRA, May stamp sales were 5% below the prior year and refunds issued in May were much higher than average. YTD Tobacco tax revenue is \$11.0 million (5.6%) below plan and \$7.2 million (3.7%) below prior year. The estimated YTD impact of the 7/1/2011 tax rate reduction is approximately \$10.6 million.

Transfers from Liquor Commission for the month, were lower than plan by \$0.6 million. However, YTD results are ahead of prior year by \$5.8 million or 5.0%.

Interest & Dividends Tax (I&D) revenue adjustments in May were larger than collections. Accordingly, net receipts were negative for the month and below both plan and prior year for the month by \$0.5 million and \$1.5 million, respectively. On a YTD basis, I&D is 9.0% above plan and 14.8% above prior year.

Insurance Tax revenue for the month came in \$1.7 million above plan and \$1.5 million above prior year. According to the Insurance Dept., actual refunds issued in May were approximately \$1.2 million lower than what was estimated and fees collected this month were greater than expected.

Communications Taxes continue to fall short of plan, \$2.9 million for May, and \$19.4 million year to date, which according to DRA relates primarily to the effect of tax law changes effective July 1, 2012. DRA is currently reviewing the returns filed to obtain additional information regarding the revenue reduction realized this year.

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RET Analysis (In Millions)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY 13	8.5	8.2	8.9	8.4	8.0	8.5	10.0	6.3	4.2	5.5	7.2	
FY 12	7.6	9.8	7.7	6.6	7.0	6.1	8.0	5.4	4.3	5.7	6.5	7.9
FY 11	9.6	6.9	6.6	6.7	6.6	7.3	7.7	5.1	5.1	5.6	8.4	6.4
Mo over Mo	0.9	(1.6)	1.2	1.8	1.0	2.4	2.0	0.9	(0.1)	(0.2)	0.7	
% Mo over Mo	12%	-16%	16%	27%	14%	39%	25%	17%	-2%	-4%	11%	
YTD change over Prior Year	0.9	(0.7)	0.5	2.3	3.3	5.7	7.7	8.6	8.5	8.3	9.0	
% YTD change	12%	-4%	2%	7%	9%	13%	15%	15%	14%	12%	12%	

Business Tax Refund Analysis												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY 13	1.1	1.5	1.5	1.8	2.2	0.9	1.0	4.3	6.7	6.9	4.0	
FY 12	1.2	1.6	3.2	1.8	5.5	3.8	4.0	1.3	1.5	1.2	3.5	4.1
FY 11	3.4	0.9	3.5	5.2	6.1	2.5	15.0	3.5	3.3	2.1	2.7	2.2
Mo over Mo change	(0.1)	(0.1)	(1.7)	-	(3.3)	(2.9)	(3.0)	3.0	5.2	5.7	0.5	
YTD change	(0.1)	(0.2)	(1.9)	(1.9)	(5.2)	(8.1)	(11.1)	(8.1)	(2.9)	2.8	3.3	

M&R Analysis						
	May			YTD		
	FY 13	FY 12	Diff	FY 13	FY 12	Diff
Gross Collections	18.9	17.6	1.3	240.1	231.5	8.6
Bldg Aid Debt Svc Transfer	(1.2)	(1.2)	-	(13.2)	(13.4)	0.2
Net Revenue	17.7	16.4	1.3	226.9	218.1	8.8

General & Education Funds Comparison to FY 12

General & Education Funds	Monthly			Year-to-Date			% Inc/(Dec)
	FY 13 Actuals	FY 12 Actuals	Inc/(Dec)	FY 13 Actuals	FY 12 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 5.1	\$ 8.7	\$ (3.6)	\$ 270.7	\$ 263.1	\$ 7.6	2.9%
Business Enterprise Tax	3.8	5.8	(2.0)	191.4	171.6	19.8	11.5%
Subtotal Business Taxes	8.9	14.5	(5.6)	462.1	434.7	27.4	6.3%
Meals & Rentals Tax	17.7	16.4	1.3	226.9	218.1	8.8	4.0%
Tobacco Tax	16.6	18.3	(1.7)	186.0	193.2	(7.2)	-3.7%
Transfer from Liquor Commission	10.9	10.5	0.4	120.8	115.0	5.8	5.0%
Interest & Dividends Tax	(0.3)	1.2	(1.5)	79.9	69.6	10.3	14.8%
Insurance Tax	0.7	(0.8)	1.5	94.4	83.6	10.8	12.9%
Communications Tax	4.1	6.7	(2.6)	55.8	72.6	(16.8)	-23.1%
Real Estate Transfer Tax	7.2	6.5	0.7	83.7	74.7	9.0	12.0%
Court Fines & Fees	1.3	1.3	-	12.1	12.6	(0.5)	-4.0%
Securities Revenue	1.9	4.2	(2.3)	37.7	37.0	0.7	1.9%
Utility Consumption Tax	0.5	0.5	-	5.6	5.5	0.1	1.8%
Board & Care Revenue	1.1	2.7	(1.6)	23.8	22.2	1.6	7.2%
Beer Tax	1.1	1.0	0.1	11.8	11.8	-	0.0%
Other	5.5	4.6	0.9	51.5	52.1	(0.6)	-1.2%
Transfer from Lottery Commission	5.3	5.1	0.2	59.5	55.3	4.2	7.6%
Transfer from Racing & Charitable Gaming	0.2	0.2	0.0	2.7	2.9	(0.2)	-6.9%
Tobacco Settlement	-	-	-	63.2	42.5	20.7	48.7%
Utility Property Tax	0.2	0.3	(0.1)	25.3	25.8	(0.5)	-1.9%
State Property Tax	-	-	-	363.7	363.1	0.6	0.2%
Subtotal Traditional Taxes & Transfers	82.9	93.2	(10.3)	1,966.5	1,892.3	74.2	3.9%
Net Medicaid Enhancement Rev	2.0	-	2.0	72.8	57.9	14.9	25.7%
Recoveries	0.5	0.3	0.2	4.1	5.4	(1.3)	-24.1%
Total Receipts	\$ 85.4	\$ 93.5	\$ (8.1)	\$ 2,043.4	\$ 1,955.6	\$ 87.8	4.5%
MtBE Settlement	-	-	-	6.4	-	6.4	100.0%
Total Receipts	\$ 85.4	\$ 93.5	\$ (8.1)	\$ 2,049.8	\$ 1,955.6	\$ 94.2	4.8%

All funds reported on a cash basis, dollars in millions.

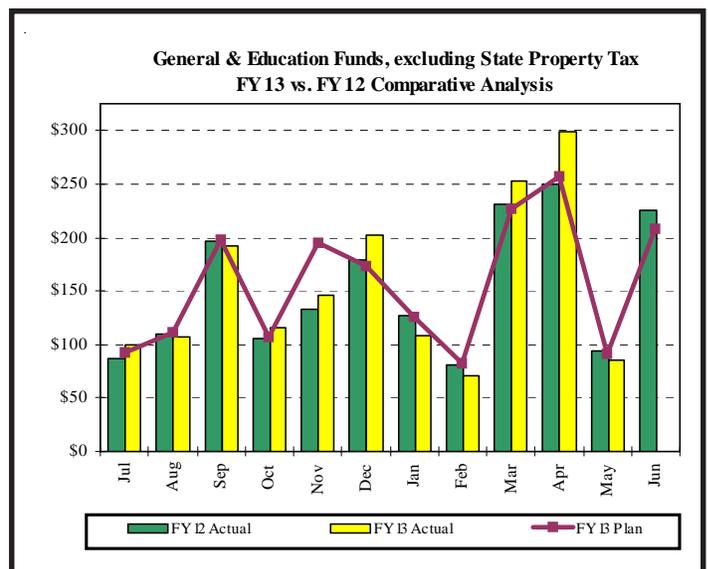
General and Education Funds

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	\$ 223.2	\$ 224.9	\$ (1.7)	\$ 47.5	\$ 48.0	\$ (0.5)	\$ 270.7	\$ 272.9	\$ (2.2)	-0.8%
Business Enterprise Tax	66.0	55.5	10.5	125.4	110.8	14.6	191.4	166.3	25.1	15.1%
Subtotal Business Taxes	289.2	280.4	8.8	172.9	158.8	14.1	462.1	439.2	22.9	5.2%
Meals & Rentals Tax	219.9	207.4	12.5	7.0	6.9	0.1	226.9	214.3	12.6	5.9%
Tobacco Tax	107.7	109.9	(2.2)	78.3	87.1	(8.8)	186.0	197.0	(11.0)	-5.6%
Transfer from Liquor Commission	120.8	125.2	(4.4)	-	-	-	120.8	125.2	(4.4)	-3.5%
Interest & Dividends Tax	79.9	73.3	6.6	-	-	-	79.9	73.3	6.6	9.0%
Insurance Tax	94.4	86.3	8.1	-	-	-	94.4	86.3	8.1	9.4%
Communications Tax	55.8	75.2	(19.4)	-	-	-	55.8	75.2	(19.4)	-25.8%
Real Estate Transfer Tax	55.6	49.1	6.5	28.1	24.4	3.7	83.7	73.5	10.2	13.9%
Court Fines & Fees	12.1	12.6	(0.5)	-	-	-	12.1	12.6	(0.5)	-4.0%
Securities Revenue	37.7	35.1	2.6	-	-	-	37.7	35.1	2.6	7.4%
Utility Consumption Tax	5.6	5.5	0.1	-	-	-	5.6	5.5	0.1	1.8%
Board & Care Revenue	23.8	19.1	4.7	-	-	-	23.8	19.1	4.7	24.6%
Beer Tax	11.8	12.0	(0.2)	-	-	-	11.8	12.0	(0.2)	-1.7%
Other	51.5	54.6	(3.1)	-	-	-	51.5	54.6	(3.1)	-5.7%
Transfer from Lottery Commission	-	-	-	59.5	59.5	-	59.5	59.5	-	0.0%
Transfer from Racing & Charitable Gaming	-	-	-	2.7	3.5	(0.8)	2.7	3.5	(0.8)	-22.9%
Tobacco Settlement	23.2	2.4	20.8	40.0	40.0	-	63.2	42.4	20.8	49.1%
Utility Property Tax	-	-	-	25.3	22.1	3.2	25.3	22.1	3.2	14.5%
State Property Tax	-	-	-	363.7	363.1	0.6	363.7	363.1	0.6	0.2%
Subtotal Traditional Taxes & Transfers	1,189.0	1,148.1	40.9	777.5	765.4	12.1	1,966.5	1,913.5	53.0	2.8%
Net Medicaid Enhancement Rev	72.8	104.8	(32.0)	-	-	-	72.8	104.8	(32.0)	-30.5%
Recoveries	4.1	3.6	0.5	-	-	-	4.1	3.6	0.5	13.9%
Total Receipts	\$ 1,265.9	\$ 1,256.5	\$ 9.4	\$ 777.5	\$ 765.4	\$ 12.1	\$ 2,043.4	\$ 2,021.9	\$ 21.5	1.1%
MtBE Settlement	6.4	-	6.4	-	-	-	6.4	-	6.4	100%
Total Receipts	\$ 1,272.3	\$ 1,256.5	\$ 15.8	\$ 777.5	\$ 765.4	\$ 12.1	\$ 2,049.8	\$ 2,021.9	\$ 27.9	1.4%

Note: The above amounts do not reflect \$11.9 million of Medicaid Enhancement Tax collected year-to-date, and \$1.0 million of Interest & Dividends revenue delayed due to system implementation issues, which were both attributable to FY 12 and not included in the FY 13 plan. Also, \$2.0 million of Insurance Tax is not reflected as amount is estimated to be fiscal 2014 revenue.

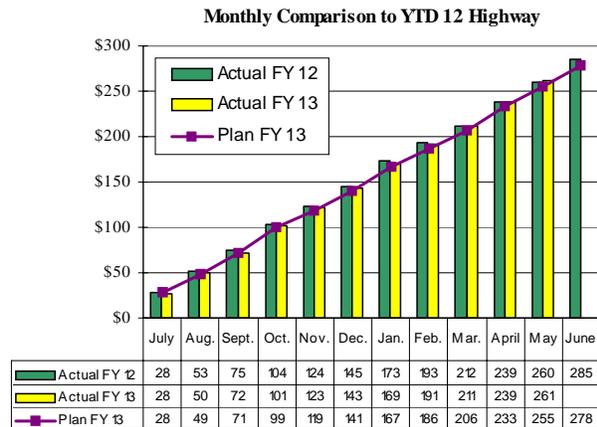
Education Trust Fund Statement of Activity - FY 2013 July 1, 2012 to May 31, 2013	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	777.5
Expenditures	
Education Grants & Adm Costs	(955.7)
Ending Surplus (Deficit) - unaudited	\$ (178.2)

Fiscal 2013 Adequate Education Grant payments of \$578.7 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. The FY 2013 budget anticipated a deficit of \$130.5 million, to be covered by a General fund transfer at year end.



Highway Fund

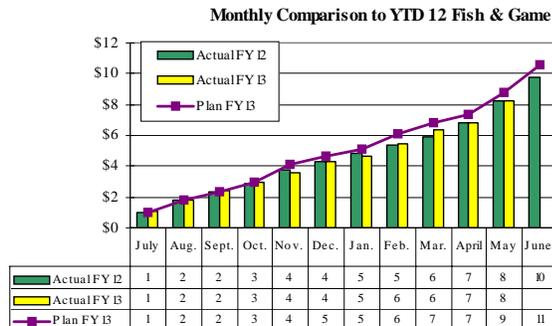
Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 112.5	\$ 113.7	\$ (1.2)
Miscellaneous	45.9	41.4	4.5
Motor Vehicle Fees			
MV Registrations	70.6	67.7	2.9
MV Operators	11.6	11.0	0.6
Inspection Station Fees	3.5	3.5	-
MV Miscellaneous Fees	10.1	10.9	(0.8)
Certificate of Title	7.1	6.8	0.3
Total Fees	102.9	99.9	3.0
Total	\$ 261.3	\$ 255.0	\$ 6.3



According to Road Toll Operations, actual fuel consumption is down approximately 0.5% over the same period last year, and is tracking slightly below estimates due to economic conditions and more fuel efficient vehicles. YTD Highway Fund revenues are 2% above plan and according to the Department of Transportation, the **Miscellaneous** category benefited from higher than anticipated receipts of cost reimbursement (revenue) for Federal projects.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 13 Actuals	FY 13 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 6.9	\$ 7.4	\$ (0.5)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.4	0.6	(0.2)
Federal Recoveries Indirect Costs	0.8	0.7	0.1
Total	\$ 8.2	\$ 8.8	\$ (0.6)



The year to date revenues are below plan due primarily to the lower number of licenses being sold.

Continued from page 1

Real Estate Transfer Tax receipts were above plan and prior year. DRA notes that County-reported transactions for April 2013 were flat as compared to April 2012 and accordingly the revenue increase realized appears to be related to an increase in the transfer value of the transactions.

As compared to the prior year, **Securities Revenue** for May came in \$2.3 million lower due to timing of April/ May receipts this year as compared to last year.

Approximately \$2 million of **Medicaid Enhancement Tax** revenue was received in May. The tax receipts relate to fiscal years 2009-2013.

Sales of Cigarette Stamps

Total sold June through May for each of last six years *

(number of stamps, in thousands)

Prepared from data provided by DRA

Year	Sales of Stamps	Volume Change	Percent Change
2013	117,119	(6,367)	-5.2%
2012	123,486	(876)	-0.7%
2011	124,362	(6,134)	-4.7%
2010	130,496	(21,627)	-14.2%
2009	152,123	(260)	-0.2%
2008	152,383		

*Analysis period intended to smooth the effects of July rate changes

Stamp counts include all days through the end of the month, while there is a one day lag on cash collections.

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