

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 14</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 148.5	\$ 150.1	\$ (1.6)
Highway	\$ 19.0	\$ 19.1	\$ (0.1)
Fish & Game	\$ 0.4	\$ 0.8	\$ (0.4)

Current Month

General & Education Funds	<i>FY 14</i> Actuals	<i>FY 14</i> Plan	<i>Actual vs.</i> <i>Plan</i>	% <i>Inc/(Dec)</i>
Business Profits Tax	\$ (0.3)	\$ 2.3	\$ (2.6)	-113.0%
Business Enterprise Tax	0.8	2.0	(1.2)	-60.0%
Subtotal Business Taxes	0.5	4.3	(3.8)	-88.4%
Meals & Rentals Tax	22.1	21.0	1.1	5.2%
Tobacco Tax	12.9	13.3	(0.4)	-3.0%
Transfer from Liquor Commission	11.3	11.1	0.2	1.8%
Interest & Dividends Tax	-	0.8	(0.8)	-100.0%
Insurance Tax	1.0	1.1	(0.1)	-9.1%
Communications Tax	4.9	5.1	(0.2)	-3.9%
Real Estate Transfer Tax	9.6	8.4	1.2	14.3%
Court Fines & Fees	1.0	1.0	-	0.0%
Securities Revenue	0.4	0.5	(0.1)	-20.0%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	-	-	-	-
Beer Tax	1.0	1.0	-	0.0%
Other	3.4	3.3	0.1	3.0%
Transfer from Lottery Commission	6.1	6.0	0.1	1.7%
Transfer from Racing & Charitable Gaming	0.3	0.3	-	0.0%
Tobacco Settlement	-	-	-	-
Utility Property Tax	0.6	-	0.6	0.0%
State Property Tax	-	-	-	-
Subtotal Traditional Taxes & Transfers	75.6	77.7	(2.1)	-2.7%
Net Medicaid Enhancement Revenue	72.2	72.2	-	-
Recoveries	0.7	0.2	0.5	250.0%
Total Receipts	\$ 148.5	\$ 150.1	\$ (1.6)	-1.1%

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

Analysis

Unrestricted revenue for the General and Education Funds received during November totaled \$148.5 million, which was below the plan by \$1.6 million (1%) but above prior year by \$2.2 million (1.5%). Year to date (YTD) unrestricted revenue totaled \$689.4 million, which was above plan by \$23.3 million (3.5%) and above prior year by \$28.4 million (4%).

Business Tax collections for November totaled \$0.5 million, which were \$3.8 million below plan and \$7.0 million below prior year. YTD business tax collections were above plan by \$2.1 million (1%) and \$0.2 million above the prior year. According to the Dept. of Revenue Administration (DRA), money received from returns & extensions this month were \$1.0 million above November of last year and collections from tax notices were above by \$1.7 million. However, \$10.2 million more in refunds were issued this month over November of last year which DRA attributes primarily to processing requests faster in FY14 versus the prior year.

Net **Meals and Rentals Tax (M&R)** receipts for November came in above plan by \$1.1 million (5%) and above prior year by \$1.4 million (7%). As can be seen in the chart on page 2, YTD gross revenue receipts, before the effect of Debt Service transfers, were 5% above prior year. According to DRA, November collections (October activity) reflect a strong Columbus Day weekend and collections from full service hotels were up 12% from the same month last year.

Tobacco Tax receipts for the month were slightly below plan but were \$4.5 million (26%) below November of last year which, as discussed in prior month's revenue focuses, can be attributed to advance purchases in July which was reflected in the FY14 plan allocation. DRA notes that stamp sales for the month November were 28% below the same month last year.

Interest & Dividends Tax (I&D) receipts for November was \$0.8 million below plan as \$0.9 million in receipts for the month were offset by refunds issued during the month. As compared to prior year, monthly receipts were \$1.1 million lower which, according to DRA, is attributable to \$0.9 million lower estimated payments received and \$0.2 million higher refunds issued than November of last year. YTD revenues are tracking 3% below plan and prior year.

The **Real Estate Transfer Tax (RET)** collections for November totaled \$9.6 million, exceeding plan by \$1.2 million (14%) and prior year by \$1.6 million (20%). Per DRA, the reported county transactions for November (October transactions) were 10% higher than the prior year. County transactions reported for FY14 YTD (July through October) are higher than the same period in FY13 by 14%. On a year to date basis, RET is \$5.6 million (13%) above plan and \$7.7 million (18%) above prior year. (See RET table on page 2)

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RET Analysis (In Millions)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY 14	9.6	11.8	9.8	8.9	9.6							
FY 13	8.5	8.2	8.9	8.4	8.0	8.5	10.0	6.3	4.2	5.5	7.2	9.7
FY 12	7.6	9.8	7.7	6.6	7.0	6.1	8.0	5.4	4.3	5.7	6.5	7.3
Mo over Mo	1.1	3.6	0.9	0.5	1.6							
% Mo over Mo	13%	44%	10%	6%	20%							
YTD change over Prior Year	1.1	4.7	5.6	6.1	7.7							
% YTD change	13%	28%	22%	18%	18%							

Business Tax Refund Analysis												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY 14	2.4	2.0	2.9	4.0	12.3							
FY 13	1.1	1.5	1.5	1.8	2.2	0.9	1.0	4.3	6.7	6.9	4.0	2.3
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
Mo over Mo change	1.3	0.5	1.4	2.2	10.1	(0.9)	(1.0)	(4.3)	(6.7)	(6.9)	(4.0)	(2.3)
YTD change	1.3	1.8	3.2	5.4	15.5	14.6	13.6	9.3	2.6	(4.3)	(8.3)	(10.6)

M&R Analysis						
	November			YTD		
	FY 14	FY 13	Diff	FY 14	FY 13	Diff
Gross Collections	23.3	21.9	1.4	133.6	127.6	6.0
Bldg Aid Debt Srvc Transfer	(1.2)	(1.2)	-	(5.8)	(6.0)	0.2
Net Revenue	22.1	20.7	1.4	127.8	121.6	6.2

General & Education Funds Comparison to FY 13

General & Education Funds	Monthly			Year-to-Date			% Inc/(Dec)
	FY 14 Actuals	FY 13 Actuals	Inc/(Dec)	FY 14 Actuals	FY 13 Actuals	Inc/(Dec)	
Business Profits Tax	\$ (0.3)	\$ 4.3	\$ (4.6)	\$ 88.9	\$ 90.2	\$ (1.3)	-1.4%
Business Enterprise Tax	0.8	3.2	(2.4)	64.8	63.3	1.5	2.4%
Subtotal Business Taxes	0.5	7.5	(7.0)	153.7	153.5	0.2	0.1%
Meals & Rentals Tax	22.1	20.7	1.4	127.8	121.6	6.2	5.1%
Tobacco Tax	12.9	17.4	(4.5)	103.8	91.7	12.1	13.2%
Transfer from Liquor Commission	11.3	11.1	0.2	62.5	57.8	4.7	8.1%
Interest & Dividends Tax	-	1.1	(1.1)	18.5	19.1	(0.6)	-3.1%
Insurance Tax	1.0	1.4	(0.4)	7.0	7.3	(0.3)	-4.1%
Communications Tax	4.9	4.7	0.2	24.2	28.0	(3.8)	-13.6%
Real Estate Transfer Tax	9.6	8.0	1.6	49.7	42.0	7.7	18.3%
Court Fines & Fees	1.0	1.1	(0.1)	5.7	5.7	-	0.0%
Securities Revenue	0.4	0.4	-	2.2	2.0	0.2	10.0%
Utility Consumption Tax	0.5	0.6	(0.1)	2.6	2.6	-	0.0%
Board & Care Revenue	-	2.5	(2.5)	-	11.8	(11.8)	-100.0%
Beer Tax	1.0	1.0	-	5.9	6.1	(0.2)	-3.3%
Other	3.4	4.9	(1.5)	16.7	20.5	(3.8)	-18.5%
Transfer from Lottery Commission	6.1	6.3	(0.2)	24.6	24.5	0.1	0.4%
Transfer from Racing & Charitable Gaming	0.3	0.3	-	1.0	1.0	-	0.0%
Tobacco Settlement	-	-	-	0.2	-	0.2	-
Utility Property Tax	0.6	-	0.6	9.3	7.5	1.8	24.0%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	75.6	89.0	(13.4)	615.4	602.7	12.7	2.1%
Net Medicaid Enhancement Rev	72.2	56.8	15.4	72.2	56.8	15.4	27.1%
Recoveries	0.7	0.5	0.2	1.8	1.5	0.3	20.0%
Total Receipts	\$ 148.5	\$ 146.3	\$ 2.2	\$ 689.4	\$ 661.0	\$ 28.4	4.3%

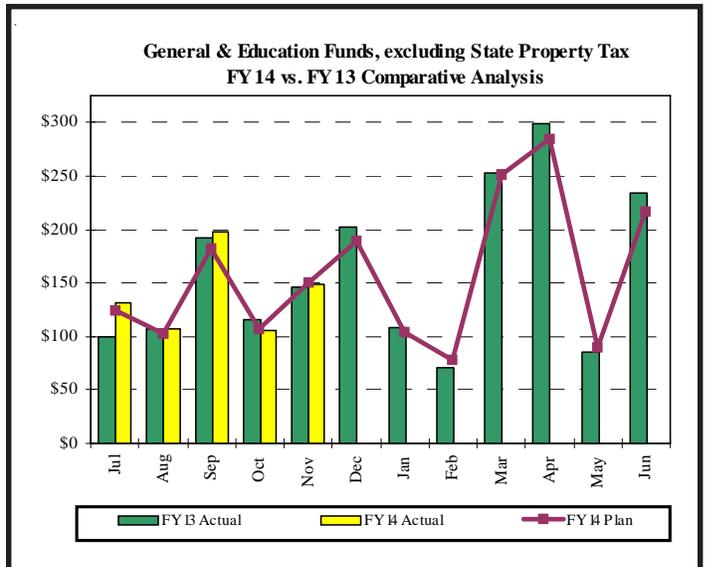
All funds reported on a cash basis, dollars in millions.

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	\$ 73.3	\$ 74.6	\$ (1.3)	\$ 15.6	\$ 16.1	\$ (0.5)	\$ 88.9	\$ 90.7	\$ (1.8)	-2.0%
Business Enterprise Tax	25.6	20.3	5.3	39.2	40.6	(1.4)	64.8	60.9	3.9	6.4%
Subtotal Business Taxes	98.9	94.9	4.0	54.8	56.7	(1.9)	153.7	151.6	2.1	1.4%
Meals & Rentals Tax	124.1	119.2	4.9	3.7	4.1	(0.4)	127.8	123.3	4.5	3.6%
Tobacco Tax	63.3	59.7	3.6	40.5	40.8	(0.3)	103.8	100.5	3.3	3.3%
Transfer from Liquor Commission	62.5	58.5	4.0	-	-	-	62.5	58.5	4.0	6.8%
Interest & Dividends Tax	18.5	19.0	(0.5)	-	-	-	18.5	19.0	(0.5)	-2.6%
Insurance Tax	7.0	5.5	1.5	-	-	-	7.0	5.5	1.5	27.3%
Communications Tax	24.2	26.0	(1.8)	-	-	-	24.2	26.0	(1.8)	-6.9%
Real Estate Transfer Tax	31.7	29.6	2.1	18.0	14.5	3.5	49.7	44.1	5.6	12.7%
Court Fines & Fees	5.7	5.6	0.1	-	-	-	5.7	5.6	0.1	1.8%
Securities Revenue	2.2	2.3	(0.1)	-	-	-	2.2	2.3	(0.1)	-4.3%
Utility Consumption Tax	2.6	2.5	0.1	-	-	-	2.6	2.5	0.1	4.0%
Board & Care Revenue	-	-	-	-	-	-	-	-	-	-
Beer Tax	5.9	6.3	(0.4)	-	-	-	5.9	6.3	(0.4)	-6.3%
Other	16.7	13.6	3.1	-	-	-	16.7	13.6	3.1	22.8%
Transfer from Lottery Commission	-	-	-	24.6	24.4	0.2	24.6	24.4	0.2	0.8%
Transfer from Racing & Charitable Gaming	-	-	-	1.0	1.0	-	1.0	1.0	-	0.0%
Tobacco Settlement	0.2	-	0.2	-	-	-	0.2	-	0.2	-
Utility Property Tax	-	-	-	9.3	8.2	1.1	9.3	8.2	1.1	13.4%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	463.5	442.7	20.8	151.9	149.7	2.2	615.4	592.4	23.0	3.9%
Net Medicaid Enhancement Rev	72.2	72.2	-	-	-	-	72.2	72.2	-	-
Recoveries	1.8	1.5	0.3	-	-	-	1.8	1.5	0.3	20.0%
Total Receipts	\$ 537.5	\$ 516.4	\$ 21.1	\$ 151.9	\$ 149.7	\$ 2.2	\$ 689.4	\$ 666.1	\$ 23.3	3.5%

Education Trust Fund Statement of Activity - FY 2014 July 1, 2013 to November 30, 2013	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	151.9
Expenditures	
Education Grants & Adm Costs	(237.0)
Ending Surplus (Deficit) - unaudited	\$ (85.1)

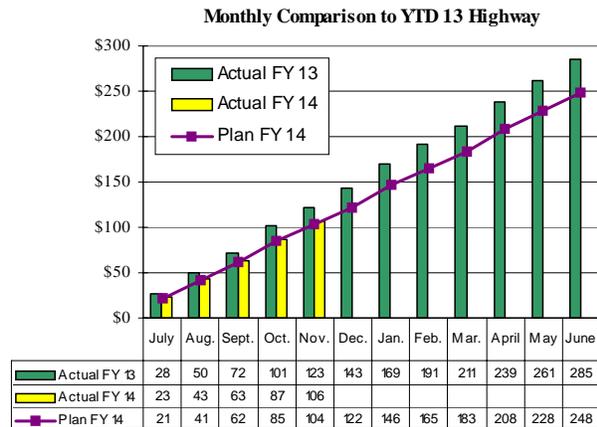
Fiscal 2014 Adequate Education Grant payments of \$572.5 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.6 million of grants through local retention of Statewide Property Tax collection. The FY 2014 budget anticipated a deficit of \$105.5 million, to be covered by a General fund transfer at year end.





Highway Fund

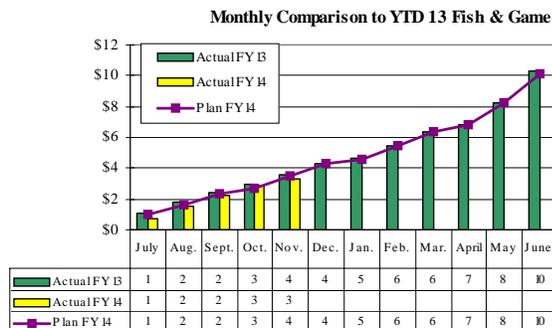
Comparison to Plan			
Revenue Category	year-to-date		
	FY 14 Actuals	FY 14 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 53.8	\$ 53.2	\$ 0.6
Miscellaneous	5.2	5.3	(0.1)
Motor Vehicle Fees			
MV Registrations	33.0	31.3	1.7
MV Operators	5.0	4.7	0.3
Inspection Station Fees	1.7	1.6	0.1
MV Miscellaneous Fees	4.3	4.7	(0.4)
Certificate of Title	3.4	3.3	0.1
Total Fees	47.4	45.6	1.8
Total	\$ 106.4	\$ 104.1	\$ 2.3



According to Road Toll Operations, actual fuel consumptions is up approximately 0.7% YTD over the same period last year.
 NOTE: YTD actual revenue is below YTD FY13 revenue by approximately \$16.1 million (13%), primarily a result of a budget change made in FY14. Federal overhead recoveries and internal indirect cost (from the Turnpike fund to the Highway Fund) are no longer reported as miscellaneous Highway fund revenue. They now are recorded as other restricted revenue within DOT's budget.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 14 Actuals	FY 14 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 2.6	\$ 3.0	\$ (0.4)
Fines and Penalties	-	-	-
Miscellaneous Sales	0.5	0.2	0.3
Federal Recoveries Indirect Costs	0.2	0.3	(0.1)
Total	\$ 3.3	\$ 3.5	\$ (0.2)



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As compared to prior year, unrestricted **Board & Care Revenue** in FY14 is \$0 as this revenue is now budgeted as restricted funds as part of the fiscal 2014 (& 2015) operating budget.

The favorable YTD variance versus plan with **Other** revenues and the favorable November variance with plan for **Utility Property Tax** are deemed to be timing differences (earlier than planned receipts).

The unrestricted revenue portion of **Medicaid Enhancement Tax (MET)** revenue was \$72.2 million, equal to plan. As compared to November of last year, receipts were \$15.4 million or 27% higher. The State received \$168.4 million in MET payments in November from hospital taxpayers of which \$96.2 million was recorded as restricted revenue as budgeted with the Department of Health & Human Services. The Commissioner of the DRA granted an extension to seven hospitals to make payments by December 13, 2013, totaling \$12.8 million. Therefore, fiscal year 2014 MET payments are expected to total \$181.2 million, as compared to budgeted receipts of \$184.8 million.

Sales of Cigarette Stamps

Total sold June through November for each of last five years

(number of stamps, in thousands)

Prepared from data provided by DRA

	Sales of Stamps	Volume Change	Percent Change
2014**	66,188	3,653	5.8%
2013	62,535	(3,580)	-5.4%
2012*	66,115	(1,855)	-2.7%
2011	67,970	(2,119)	-3.0%
2010	70,090	(1,451)	-2.0%

**Tax rate increase effective 8/1/13 believed to result in consumer advance purchases in July FY 14

*Tax rate decrease effective 7/1/11 believed to result in consumer purchase delays from June FY 11, to July FY 12

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