

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Commissioner Donald S. Hill

November
FY 2004

Monthly Revenue Summary

	<u>FY 04</u>	<u>FY 03</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 74.6	\$ 83.2	\$ (8.6)
Highway	\$ 21.5	\$ 17.1	\$ 4.4
Fish & Game	\$.9	\$.6	\$.3

Current Month Analysis

General & Education Funds	<i>FY 04 Actuals</i>	<i>FY 04 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$ (2.8)	\$ 3.3	\$ (6.1)
Business Enterprise Tax	4.2	\$ 4.6	(0.4)
Subtotal	1.4	7.9	(6.5)
Meals & Rooms Tax	16.0	15.9	0.1
Tobacco Tax	5.8	7.8	(2.0)
Liquor Sales and Distribution	8.5	8.7	(0.2)
Interest & Dividends Tax	(0.2)	0.1	(0.3)
Insurance Tax	1.3	2.7	(1.4)
Communications Tax	5.2	5.5	(0.3)
Real Estate Transfer Tax	12.3	10.5	1.8
Estate & Legacy Tax	0.4	1.8	(1.4)
Court Fines & Fees	1.8	2.0	(0.2)
Securities Revenue	0.2	0.4	(0.2)
Utility Tax	0.5	0.5	-
Board & Care Revenue	0.7	1.0	(0.3)
Beer Tax	1.1	1.0	0.1
Racing Revenue	0.3	0.3	-
Flexible Grant	-	-	-
Other	3.1	3.0	0.1
Transfers from Sweepstakes	5.1	5.8	(0.7)
Tobacco Settlement	-	-	-
Utility Property Tax	-	-	-
Property Tax Not Retained Locally	-	-	-
Property Tax Retained Locally	-	-	-
Subtotal	63.5	74.9	(11.4)
Net Medicaid Enhancement Rev	4.2	4.2	
Recoveries	2.8	1.1	1.7
Subtotal	70.5	80.2	(9.7)
Other Medicaid Enhancement Rev to Fund Net Appropriations	4.1	4.1	-
Total	\$ 74.6	\$ 84.3	\$ (9.7)

Unrestricted revenue for the General and Education Funds for the month of November totaled \$74.6 million, which was below the plan and prior year by \$9.7 million and \$8.6 million, respectively. Year-to-date (YTD) revenue totaled \$631.7 million, which was below plan by \$18.5 million but above prior year by \$53.7 million. As discussed in last month's revenue focus, the increase in YTD collections, as compared to the prior year were largely due to the receipt of the **Flexible Grant** payment.

In reviewing the FY 04 YTD collections as compared to plan, the shortfall of \$18.5 million can be primarily attributed to the Flexible Grant payments, Business Taxes, and I&D, offset by the strong activity in the Real Estate Transfer Tax and the 6% Hospital Tax. The Flexible Grant shortfall of \$25.0 million (carried over from previous months) resulted from the recording of the initial \$25.0 million payment in FY 03 and \$25.0 million in FY04, whereas the entire \$50.0 million was budgeted in FY04.

Business Tax Revenue for November totaled \$1.4 million, which was \$6.5 million below plan for the month. Year to date collections totaled \$101.2 million, below plan by \$6.1 million and below prior year by \$5.8 million. During the month of November approximately \$11.7 million in business tax refunds were processed by the Department of Revenue Administration (DRA), which represents an increase of approximately \$8.4 million over November of the prior year. According to the DRA Commissioner, the Department implemented an automated refund process that resulted in refunds being processed sooner this year than in previous years. Therefore, the increase in refunds paid is believed to be the result of timing differences, not overall increases in refund amounts. December is the next critical month when calendar year businesses file their 4th quarter estimated tax payments.

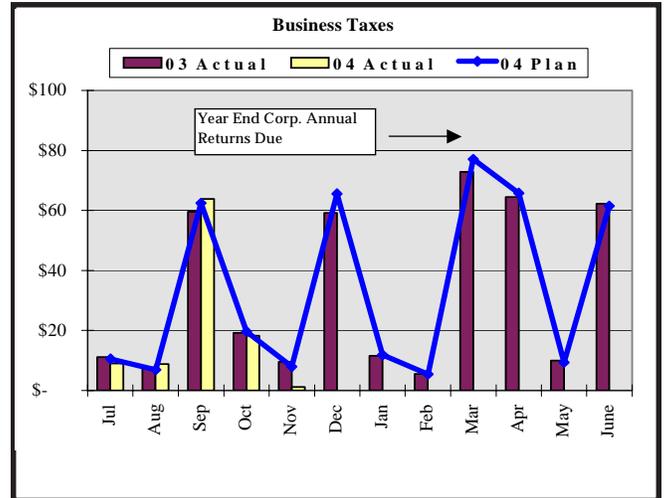
Other revenue highlights include:

- **Real Estate Transfer** tax continued posting very strong results. November collections totaled \$12.3 million exceeding plan by \$1.8 million.
- **Tobacco Tax** monthly revenue totaled \$5.8 million, which was \$2.0 million below plan and below prior year by \$1.2 million.
- **Estate & Legacy** monthly revenue was \$1.4 million below plan and \$3.8 million behind prior year. Collections are anticipated to continue to decline due to the repeal of the tax during the 2003 session.
- **Other revenue** for November was \$3.0 million below prior year. Last year, November included the processing of the 1998 escheatment by Treasury, which netted \$3.5 million to the General Fund.

All funds reported in Millions and on a Cash Basis

YTD Revenue Summary

	<u>FY 04</u>	<u>FY 03</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 631.7	\$ 578.0	\$ 53.7
Highway	\$ 99.8	\$ 92.0	\$ 7.8
Fish & Game	\$ 3.8	\$ 3.2	\$.6



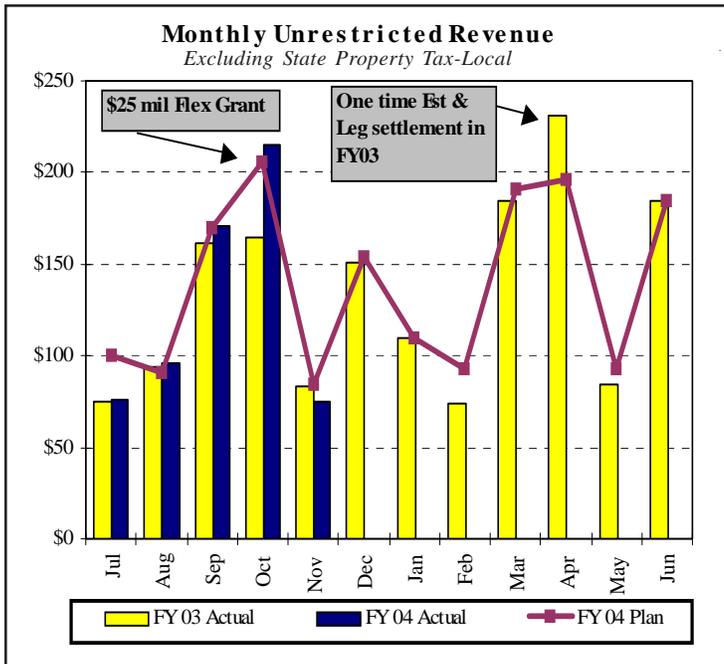
General & Education Funds Comparison to FY 03

General & Education Funds	<u>Monthly</u>			<u>Year-to-Date</u>			
	<i>FY04 Actuals</i>	<i>FY03 Actuals</i>	<i>Inc/(Dec)</i>	<i>FY04 Actuals</i>	<i>FY03 Actuals</i>	<i>Inc/(Dec)</i>	<i>% Inc/(Dec)</i>
Business Profits Tax	\$ (2.8)	\$ 5.2	\$ (8.0)	\$ 34.1	\$ 43.2	\$ (9.1)	-21.1%
Business Enterprise Tax	4.2	4.3	(0.1)	67.1	63.8	3.3	5.2%
Subtotal	1.4	9.5	(8.1)	101.2	107.0	(5.8)	-5.4%
Meals & Rooms Tax	16.0	14.9	1.1	89.5	86.1	3.4	3.9%
Tobacco Tax	5.8	7.0	(1.2)	42.4	39.9	2.5	6.3%
Liquor Sales and Distribution	8.5	8.1	0.4	46.2	43.6	2.6	6.0%
Interest & Dividends Tax	(0.2)	(0.1)	(0.1)	10.3	12.5	(2.2)	-17.6%
Insurance Tax	1.3	3.0	(1.7)	20.7	21.6	(0.9)	-4.2%
Communications Tax	5.2	4.8	0.4	26.9	26.6	0.3	1.1%
Real Estate Transfer Tax	12.3	10.5	1.8	63.9	54.3	9.6	17.7%
Estate & Legacy Tax	0.4	4.2	(3.8)	10.6	23.4	(12.8)	-54.7%
Court Fines & Fees	1.8	1.8	0.0	11.8	12.6	(0.8)	-6.3%
Securities Revenue	0.2	0.3	(0.1)	1.6	1.8	(0.2)	-11.1%
Utility Tax	0.5	0.5	-	2.6	2.5	0.1	4.0%
Board & Care Revenue	0.7	0.9	(0.2)	5.0	3.9	1.1	28.2%
Beer Tax	1.1	1.0	0.1	5.9	5.7	0.2	3.5%
Racing Revenue	0.3	0.3	-	1.7	1.9	(0.2)	-10.5%
Flexible Grant	-	-	-	25.0	-	25.0	100.0%
Other	3.1	6.1	(3.0)	18.2	19.9	(1.7)	-8.5%
Transfers from Sweepstakes	5.1	3.4	1.7	25.2	19.0	6.2	32.6%
Tobacco Settlement	-	-	-	0.4	-	0.4	100.0%
Utility Property Tax	-	0.3	(0.3)	4.8	4.8	-	0.0%
Property Tax Not Retained Locally	-	-	-	-	-	-	-
Property Tax Retained Locally	-	-	-	-	-	-	-
Subtotal	63.5	76.5	(13.0)	513.9	487.1	26.8	5.5%
Net Medicaid Enhancement Rev	4.2	3.4	0.8	104.7	84.2	20.5	24.3%
Recoveries	2.8	-	2.8	4.9	-	4.9	100.0%
Subtotal	70.5	79.9	(9.4)	623.5	571.3	52.2	9.1%
Other Medicaid Enhancement Rev to Fund Net Appropriations	4.1	3.3	0.8	8.2	6.7	1.5	22.4%
Total	\$ 74.6	\$ 83.2	\$ (8.6)	\$ 631.7	\$ 578.0	\$ 53.7	9.3%



Year-to-Date Analysis

General & Education Funds	General		Education		Total		
	Actual	Plan	Actual	Plan	Actual	Plan	Actual vs. Plan
Business Profits Tax	\$ 24.0	\$ 45.1	\$ 10.1	\$ 10.1	\$ 34.1	\$ 55.2	\$ (21.1)
Business Enterprise Tax	37.9	22.9	29.2	29.2	67.1	52.1	15.0
Subtotal	61.9	68.0	39.3	39.3	101.2	107.3	(6.1)
Meals & Rooms Tax	85.9	86.0	3.6	3.4	89.5	89.4	0.1
Tobacco Tax	29.3	30.1	13.1	12.2	42.4	42.3	0.1
Liquor Sales and Distribution	46.2	46.4	-	-	46.2	46.4	(0.2)
Interest & Dividends Tax	10.3	13.6	-	-	10.3	13.6	(3.3)
Insurance Tax	20.7	21.5	-	-	20.7	21.5	(0.8)
Communications Tax	26.9	27.8	-	-	26.9	27.8	(0.9)
Real Estate Transfer Tax	42.6	37.6	21.3	18.9	63.9	56.5	7.4
Estate & Legacy Tax	10.6	10.8	-	-	10.6	10.8	(0.2)
Court Fines & Fees	11.8	12.4	-	-	11.8	12.4	(0.6)
Securities Revenue	1.6	2.2	-	-	1.6	2.2	(0.6)
Utility Tax	2.6	2.6	-	-	2.6	2.6	-
Board & Care Revenue	5.0	4.3	-	-	5.0	4.3	0.7
Beer Tax	5.9	5.9	-	-	5.9	5.9	-
Racing Revenue	1.7	1.5	-	-	1.7	1.5	0.2
Flexible Grant	25.0	50.0	-	-	25.0	50.0	(25.0)
Other	18.2	17.3	-	-	18.2	17.3	0.9
Transfers from Sweepstakes	-	-	25.2	23.2	25.2	23.2	2.0
Tobacco Settlement	-	-	0.4	-	0.4	-	0.4
Utility Property Tax	-	-	4.8	4.8	4.8	4.8	-
Property Tax Not Retained Locally	-	-	-	-	-	-	-
Property Tax Retained Locally	-	-	-	-	-	-	-
Subtotal	406.2	438.0	107.7	101.8	513.9	539.8	(25.9)
Net Medicaid Enhancement Rev	104.7	97.0	-	-	104.7	97.0	7.7
Recoveries	4.9	5.2	-	-	4.9	5.2	(0.3)
Subtotal	515.8	540.2	107.7	101.8	623.5	642.0	(18.5)
Other Medicaid Enhancement Rev to Fund Net Appropriations	8.2	8.2	-	-	8.2	8.2	-
Total	\$ 524.0	\$ 548.4	\$ 107.7	\$ 101.8	\$ 631.7	\$ 650.2	\$ (18.5)



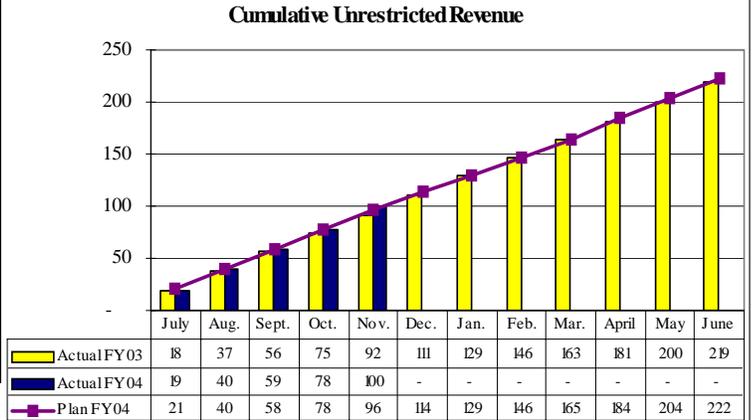
Education Trust Fund Statement of Activity - FY 2004 July 1, 2003 to November 30, 2003	
Description	In Millions
Beginning Balance (unaudited)	\$ -
Unrestricted Revenue - See above	107.7
Transfers from General Fund Appropriations	25.0
Expenditures	
Education Grants & Adm Costs	(187.7)
Ending Balance	\$ (55.0)



Year-to-Date Analysis

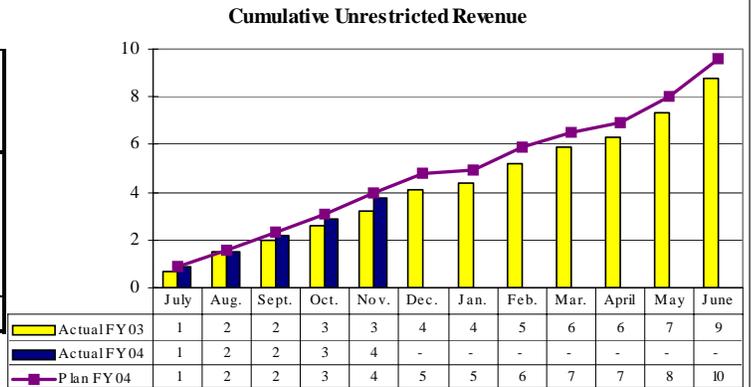
Highway Fund

Revenue Category	FY 04 Actuals	FY 04 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 57.4	\$ 55.3	\$ 2.1
Miscellaneous	4.0	2.3	1.7
Motor Vehicle Fees			
MV Registrations	28.0	27.7	0.3
MV Operators	5.0	6.3	(1.3)
Inspection Station Fees	1.5	1.3	0.2
MV Miscellaneous Fees	1.6	2.1	(0.5)
Certificate of Title	2.3	1.3	1.0
Total Fees	38.4	38.7	(0.3)
Total	\$ 99.8	\$ 96.3	\$ 3.5



Fish & Game Fund

Revenue Category	FY 04 Actuals	FY 04 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 3.4	\$ 3.3	\$ 0.1
Fines and Penalties	-	.1	(0.1)
Miscellaneous Sales	.2	.2	-
Federal Recoveries Indirect Costs	.2	0.4	(0.2)
Total	\$ 3.8	\$ 4.0	\$ (0.2)



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