

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Commissioner Linda M. Hodgdon
Comptroller Edgar R. Carter

February
FY 2010

Monthly Revenue Summary

	<u>FY 10</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 85.2	\$ 94.2	\$ (9.0)
Highway	\$ 22.1	\$ 23.3	\$ (1.2)
Fish & Game	\$ 1.0	\$ 0.9	\$ 0.1

Current Month Analysis

General & Education Funds	<i>FY10 Actuals</i>	<i>FY10 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$ 5.9	10.1	\$ (4.2)
Business Enterprise Tax	3.7	5.9	(2.2)
Subtotal Business Taxes	9.6	16.0	(6.4)
Meals & Rooms Tax	16.4	18.6	(2.2)
Tobacco Tax	16.5	13.7	2.8
Transfer from Liquor Commission	7.1	7.5	(0.4)
Interest & Dividends Tax	0.9	1.4	(0.5)
Insurance Tax	5.0	6.3	(1.3)
Communications Tax	6.8	7.5	(0.7)
Real Estate Transfer Tax	4.6	4.1	0.5
Court Fines & Fees	0.8	1.1	(0.3)
Securities Revenue	0.5	0.5	-
Utility Consumption Tax	0.5	0.5	-
Board & Care Revenue	1.4	1.7	(0.3)
Beer Tax	0.8	0.9	(0.1)
Racing & Games of Chance	0.1	0.3	(0.2)
Other	6.0	5.6	0.4
Gambling Winnings Tax	0.1	0.1	-
Transfer from Lottery Commission	5.3	6.2	(0.9)
Transfer from Racing & Charitable Gaming	0.1	0.1	-
Tobacco Settlement	-	-	-
Utility Property Tax	-	-	-
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	82.5	92.1	(9.6)
Net Medicaid Enhancement Revenue	(0.1)	0.1	(0.2)
Recoveries	2.8	2.0	0.8
Total Receipts	\$ 85.2	\$ 94.2	\$ (9.0)

The General and Education Funds receipts for February totaled \$85.2 million, below plan by \$9.0 million (9.6%) and below prior year by \$18.5 million (17.8%). Year to date receipts totaled \$1,047.6 million, below plan by \$49.6 million (4.5%) and below prior year by \$6.8 million (0.6%).

Business Tax collections for February were \$9.6 million, or \$6.4 million (40.0%) below plan and \$3.4 million (26.2%) below prior year. Year to date business tax collections were below plan by \$13.0 million (5.2%) and below prior year by \$12.7 million (5.1%). March is the next critical collection month when calendar year businesses file their 2009 annual returns and then April when first quarter 2010 estimates are due.

The **Meals and Rooms Tax** (M&R) generated \$16.4 million for the month and was below plan by \$2.2 million (11.8%) but above prior year by \$1.8 million (12.3%). Year to date collections are tracking \$16.9 million (9.5%) below plan and \$10.9 million (7.3%) above prior year.

Increased **Tobacco Tax** rates resulted in collections for February of \$16.5 million, above plan by \$2.8 million (20.4%) and above prior year by \$1.1 million (7.1%). Year to date, the Tobacco Tax is tracking above plan by \$9.9 million (6.5%) and prior year by \$33.0 million (25.5%).

Interest & Dividends Tax (I&D) receipts for February were \$0.5 million (35.7%) below plan and \$0.4 million (30.8%) below prior year. Year to date I&D revenue is \$10.2 million (20.4%) below plan and \$9.0 million (18.5%) below prior year, due largely to economic and market factors.

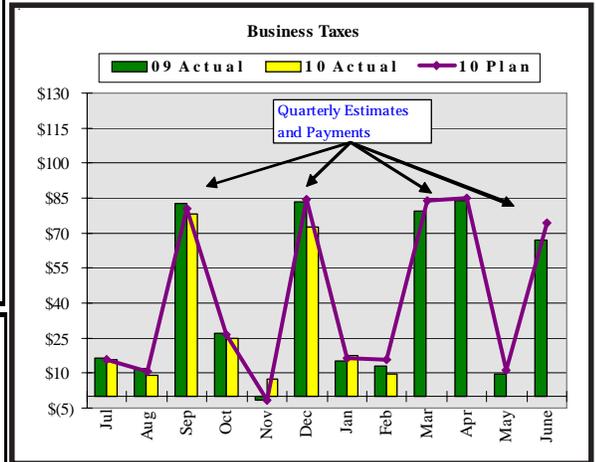
Insurance Tax receipts were \$1.3 million (20.6%) below plan due to timing. The Insurance Tax is due from carriers by March 15th.

The **Real Estate Transfer Tax** (RET) totaled \$4.6 million for the month, which was above both plan and prior year by \$0.5, representing the third consecutive month these receipts exceeded both plan and the prior year. Year to date revenue was \$59.4 million, below plan by \$2.1 million (3.4%) and below prior year by \$5.5 million (8.5%).

February **Transfers from Lottery** were \$0.9 million below plan and \$1.8 million below prior year, bringing year to date transfers to \$4.5 million (10.4%) below plan and \$2.4 million (5.8%) below prior year. Low Powerball jackpots and other product sales are the major contributing factors for the ongoing weakness in revenue.

The February 2009 **Tobacco Settlement** received from the Non-Participating Manufacturer adjustment within the nationwide tobacco settlement agreement was a one time receipt. Similarly, **Net Medicaid Enhancement Revenues** in February 2009 included receipts from two hospitals which paid their prior year disputed hospital taxes. There was no plan for such receipts for 2010, as a result, these two items represent a \$14.5 million unfavorable comparison of current year receipts to prior year.

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



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

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

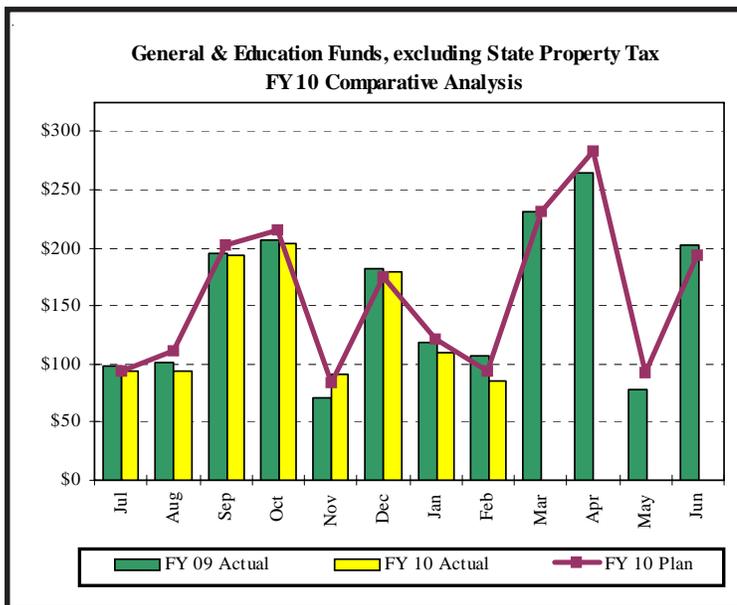
General & Education Funds Comparison to FY 09

General & Education Funds	Monthly			Year-to-Date			% Inc/(Dec)
	FY10	FY09		FY10	FY09		
	Actuals	Actuals	Inc/(Dec)	Actuals	Actuals	Inc/(Dec)	
Business Profits Tax	\$ 5.9	\$ 5.2	\$ 0.7	\$ 146.4	\$ 149.1	\$ (2.7)	-1.8%
Business Enterprise Tax	3.7	7.8	(4.1)	89.3	99.3	(10.0)	-10.1%
Subtotal Business Taxes	9.6	13.0	(3.4)	235.7	248.4	(12.7)	-5.1%
Meals & Rooms Tax	16.4	14.6	1.8	160.7	149.8	10.9	7.3%
Tobacco Tax	16.5	15.4	1.1	162.2	129.2	33.0	25.5%
Transfer from Liquor Commission	7.1	6.3	0.8	80.7	74.1	6.6	8.9%
Interest & Dividends Tax	0.9	1.3	(0.4)	39.7	48.7	(9.0)	-18.5%
Insurance Tax	5.0	4.1	0.9	12.4	12.0	0.4	3.3%
Communications Tax	6.8	7.4	(0.6)	50.8	56.2	(5.4)	-9.6%
Real Estate Transfer Tax	4.6	4.1	0.5	59.4	64.9	(5.5)	-8.5%
Court Fines & Fees	0.8	2.5	(1.7)	8.5	18.9	(10.4)	-55.0%
Securities Revenue	0.5	0.7	(0.2)	11.8	12.9	(1.1)	-8.5%
Utility Consumption Tax	0.5	0.5	-	4.0	4.0	-	0.0%
Board & Care Revenue	1.4	2.3	(0.9)	13.5	13.4	0.1	0.7%
Beer Tax	0.8	0.9	(0.1)	8.8	8.8	-	0.0%
Racing & Games of Chance	0.1	0.1	0.0	1.5	1.4	0.1	7.1%
Other	6.0	8.5	(2.5)	31.7	37.6	(5.9)	-15.7%
Gambling Winnings Tax	0.1	-	0.1	1.1	-	1.1	-
Transfer from Lottery Commission	5.3	7.1	(1.8)	38.9	41.3	(2.4)	-5.8%
Transfer from Racing & Charitable Gaming	0.1	0.1	-	0.8	0.8	-	0.0%
Tobacco Settlement	-	3.6	(3.6)	-	3.6	(3.6)	-100.0%
Utility Property Tax	-	0.3	(0.3)	15.8	15.7	0.1	0.6%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	82.5	92.8	(10.3)	938.0	941.7	(3.7)	-0.4%
Net Medicaid Enhancement Rev	(0.1)	10.9	(11.0)	97.9	101.0	(3.1)	-3.1%
Recoveries	2.8	-	2.8	11.7	11.7	-	0.0%
Total Receipts	\$ 85.2	\$ 103.7	\$ (18.5)	\$ 1,047.6	\$ 1,054.4	\$ (6.8)	-0.6%

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		
	<i>Actual</i>	<i>Plan</i>	<i>Actual vs. Plan</i>	<i>Actual</i>	<i>Plan</i>	<i>Actual vs. Plan</i>	<i>Actual</i>	<i>Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$ 120.9	\$ 125.4	\$ (4.5)	\$ 25.5	\$ 26.4	\$ (0.9)	\$ 146.4	\$ 151.8	\$ (5.4)
Business Enterprise Tax	30.8	36.7	(5.9)	58.5	60.2	(1.7)	89.3	96.9	(7.6)
Subtotal Business Taxes	151.7	162.1	(10.4)	84.0	86.6	(2.6)	235.7	248.7	(13.0)
Meals & Rooms Tax	156.8	171.9	(15.1)	3.9	5.7	(1.8)	160.7	177.6	(16.9)
Tobacco Tax	79.5	83.3	(3.8)	82.7	69.0	13.7	162.2	152.3	9.9
Transfer from Liquor Commission	80.7	81.0	(0.3)	-	-	-	80.7	81.0	(0.3)
Interest & Dividends Tax	39.7	49.9	(10.2)	-	-	-	39.7	49.9	(10.2)
Insurance Tax	12.4	13.9	(1.5)	-	-	-	12.4	13.9	(1.5)
Communications Tax	50.8	56.9	(6.1)	-	-	-	50.8	56.9	(6.1)
Real Estate Transfer Tax	39.2	40.8	(1.6)	20.2	20.7	(0.5)	59.4	61.5	(2.1)
Court Fines & Fees	8.5	9.1	(0.6)	-	-	-	8.5	9.1	(0.6)
Securities Revenue	11.8	12.5	(0.7)	-	-	-	11.8	12.5	(0.7)
Utility Consumption Tax	4.0	3.9	0.1	-	-	-	4.0	3.9	0.1
Board & Care Revenue	13.5	13.4	0.1	-	-	-	13.5	13.4	0.1
Beer Tax	8.8	8.9	(0.1)	-	-	-	8.8	8.9	(0.1)
Racing & Games of Chance	1.5	2.3	(0.8)	-	-	-	1.5	2.3	(0.8)
Other	31.7	33.9	(2.2)	-	-	-	31.7	33.9	(2.2)
Gambling Winnings Tax	1.1	1.1	-	-	-	-	1.1	1.1	-
Transfer from Lottery Commission	-	-	-	38.9	43.4	(4.5)	38.9	43.4	(4.5)
Transfer from Racing & Charitable Gaming	-	-	-	0.8	0.7	0.1	0.8	0.7	0.1
Tobacco Settlement	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	15.8	13.4	2.4	15.8	13.4	2.4
State Property Tax	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	691.7	744.9	(53.2)	246.3	239.5	6.8	938.0	984.4	(46.4)
Net Medicaid Enhancement Rev	97.9	98.9	(1.0)	-	-	-	97.9	98.9	(1.0)
Recoveries	11.7	13.9	(2.2)	-	-	-	11.7	13.9	(2.2)
Total Receipts	\$ 801.3	\$ 857.7	\$ (56.4)	\$ 246.3	\$ 239.5	\$ 6.8	\$ 1,047.6	\$ 1,097.2	\$ (49.6)



Education Trust Fund Statement of Activity - FY 2010 July 1, 2009 to February 28, 2009	
Description	Amount
Beginning Surplus (Deficit)	\$ -
Unrestricted Revenue - See above	246.3
Expenditures	
Education Grants & Adm Costs	(362.2)
Ending Surplus (Deficit)	\$ (115.9)

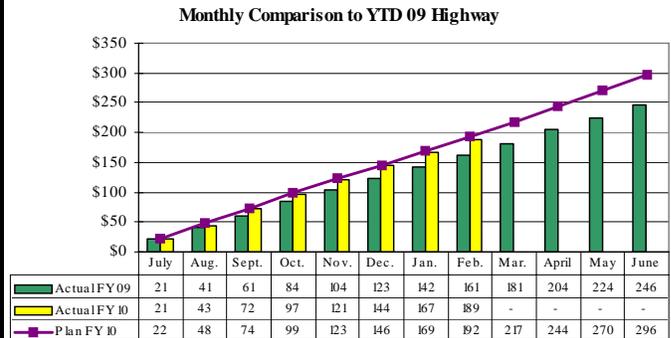
Fiscal 2010 Adequate Education Grant payments of \$594.0 million are paid 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.0 million of grants through local retention of Statewide Property Tax collections.



Year-to-Date Analysis

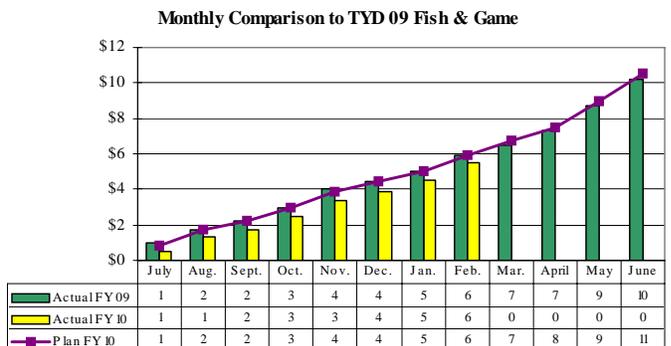
Highway Fund

Comparison to Plan			
<i>Revenue Category</i>	<i>FY 10 Actuals</i>	<i>FY 10 Plan</i>	<i>Actual vs. Plan</i>
Gasoline Road Toll	\$ 84.2	\$ 85.6	\$ (1.4)
Miscellaneous	11.8	11.0	0.8
Motor Vehicle Fees			
MV Registrations	70.4	70.7	(0.3)
MV Operators	8.0	8.4	(0.4)
Inspection Station Fees	2.4	2.5	(0.1)
MV Miscellaneous Fees	8.0	8.8	(0.8)
Certificate of Title	4.6	4.9	(0.3)
Total Fees	93.4	95.3	(1.9)
Total	\$ 189.4	\$ 191.9	\$ (2.5)



Fish & Game Fund

Comparison to Plan			
<i>Revenue Category</i>	<i>FY 10 Actuals</i>	<i>FY 10 Plan</i>	<i>Actual vs. Plan</i>
Fish and Game Licenses	\$ 4.5	\$ 4.8	\$ (0.3)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.5	0.7	(0.2)
Federal Recoveries Indirect Costs	0.4	0.3	0.1
Total	\$ 5.5	\$ 5.9	\$ (0.4)



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