

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Linda M. Hodgdon, Commissioner
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Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 12</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 109.3	\$ 99.7	\$ 9.6
Highway	\$ 24.4	\$ 21.7	\$ 2.7
Fish & Game	\$ 0.8	\$ 0.7	\$ 0.1

Current Month

General & Education Funds	FY 12 Actuals	FY 12 Plan	Actual vs. Plan	% Inc/(Dec)
Business Profits Tax	\$ 7.9	\$ 6.1	\$ 1.8	29.5%
Business Enterprise Tax	5.1	3.6	1.5	41.7%
Subtotal Business Taxes	13.0	9.7	3.3	34.0%
Meals & Rentals Tax	26.7	25.7	1.0	3.9%
Tobacco Tax	23.8	22.0	1.8	8.2%
Transfer from Liquor Commission	13.8	13.6	0.2	1.5%
Interest & Dividends Tax	0.9	0.7	0.2	28.6%
Insurance Tax	1.4	0.9	0.5	55.6%
Communications Tax	6.7	6.4	0.3	4.7%
Real Estate Transfer Tax	9.8	7.6	2.2	28.9%
Court Fines & Fees	1.2	1.3	(0.1)	-7.7%
Securities Revenue	0.5	0.4	0.1	25.0%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	1.9	1.7	0.2	11.8%
Beer Tax	1.2	1.4	(0.2)	-14.3%
Other	2.4	2.4	-	0.0%
Transfer from Lottery Commission	5.1	5.1	-	0.0%
Transfer from Racing & Charitable Gaming	0.2	0.2	-	0.0%
Tobacco Settlement	-	-	-	-
Utility Property Tax	(0.1)	-	(0.1)	-100.0%
State Property Tax	-	-	-	-
Subtotal Traditional Taxes & Transfers	109.0	99.6	9.4	9.4%
Net Medicaid Enhancement Revenue	0.1	-	0.1	100.0%
Recoveries	0.2	0.1	0.1	100.0%
Total Receipts	\$ 109.3	\$ 99.7	\$ 9.6	9.6%

Analysis

Unrestricted revenue for the General and Education Funds received during August totaled \$109.3 million, which was above the plan by \$9.6 million and above prior year by \$0.2 million. Year to date (YTD) revenue totaled \$195.6 million, which was also above the plan by \$5.1 million. The YTD however, is below the prior year period by \$6.4 million for, in some cases, factors known and anticipated within the FY 12 plan.

Business Tax collections for August totaled \$13.0 million, which were \$3.3 million above plan and slightly below prior year. YTD collections totaled \$28.1 million, \$3.4 million above plan and \$3.6 million above prior year. A major part of the increased revenue from prior year is \$1.5 million of lower refunds. In addition, amounts received with filings and extensions were higher according to DRA data. This is generally a very low business tax collection period, with 3rd quarter estimated payments by calendar year corporations due next month.

Net revenue from the **Meals and Rentals Tax (M&R)** was \$26.7 million this month, above plan by \$1.0 million and \$0.5 million above the prior year. As can be seen in the chart on page 2, gross revenue receipts exceeded the prior year by \$1.3 million, partially offset by the Building Aid Debt Service transfer which was \$0.8 million above prior year. On a YTD basis gross M&R revenue is tracking \$1.7 million or 3.5% above prior year.

Tobacco Tax receipts for August came in above plan by \$1.8 million and \$1.0 million above prior year. YTD collections were \$1.2 million below plan and \$2.9 million below prior year. Current receipts generally reflect the prior month's bonded sales of stamps. A comparison of stamp volume for the three month period June to August has the effect of smoothing out month to month variability due to purchase delays pending tax rate changes. Page 4 presents a table of data provided by DRA, which compares stamp sales for the three month period from 2007. This analysis indicates an overall 20% decline over the five years, with a slight increase in this most recent period.

The **Real Estate Transfer Tax (RET)** collections for August were \$2.2 million above plan and above prior year by \$2.9 million. On YTD basis, RET is above plan by \$2.0 million and prior year by \$0.9 million. (See RET table on page 2.) These collections comprise a mix of tax on transfers among related real estate holding companies and conventional exchanges of personal residences and business properties. Data provided by DRA indicates taxes filed by counties, which remit taxes collected on *conventional* transfers, were lower by \$1 million for the two months FY12 compared to FY11. FY 11 revenue included phase-out period transactions under the First Time Homebuyers Tax Credit.

Other revenues for the month and YTD were tracking below prior year due in large part to the re-classification of certain revenue sources as part of the FY 2012 budget. The revenue included in FY11 Other revenues from these sources totaled approximately \$0.6 million.

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Prior year **Recoveries** revenue collected in August 2010 included \$2.6 million of drug rebate revenue, which beginning in FY 2012, is now budgeted as restricted pharmacy services revenue in the Department of Health and Human Services.

Included as an insert to this report, and also available at <http://admin.state.nh.us/accounting>, is the Fiscal 2012 Revenue Plan. The plan represents a monthly allocation of the official revenue estimates as passed in HB1 plus other revenue adjustments included within Schedule 2 of the Committee of Conference Surplus Statement. The total fiscal 2012 unrestricted revenue plan for General and Education Funds was set at \$2,189.2 million. Since the Plan was not yet available for last month's Revenue Focus, a comparison of July results to plan has been provided below.

	Jul	Aug
FY12	1.2	1.6
FY11	3.4	0.9
FY10	1.6	1.2
Mo over Mo change	(2.2)	0.7
YTD change	(2.2)	(1.5)

	August			YTD		
	FY 12	FY 11	Diff	FY 12	FY 11	Diff
	Gross Collections	27.9	26.6	1.3	50.2	48.5
Bldg Aid Debt Svc Transfer	(1.2)	(0.4)	(0.8)	(2.4)	(0.4)	(2.0)
Net Revenue	26.7	26.2	0.5	47.8	48.1	(0.3)

	Jul	Aug
FY12	7.6	9.8
FY11	9.6	6.9
FY10	9.0	8.3
Mo over Mo	(2.0)	2.9
% Mo over Mo	-21%	42%
YTD change over Prior Year	(2.0)	0.9
% YTD change	-21%	5%

General & Education Funds Comparison to FY 11

General & Education Funds	Monthly			Year-to-Date			%
	FY 12 Actuals	FY 11 Actuals	Inc/(Dec)	FY 12 Actuals	FY 11 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 7.9	\$ 7.9	\$ -	\$ 17.0	\$ 14.9	\$ 2.1	14.1%
Business Enterprise Tax	5.1	5.2	(0.1)	11.1	9.6	1.5	15.6%
Subtotal Business Taxes	13.0	13.1	(0.1)	28.1	24.5	3.6	14.7%
Meals & Rentals Tax	26.7	26.2	0.5	47.8	48.1	(0.3)	-0.6%
Tobacco Tax	23.8	22.8	1.0	41.3	44.2	(2.9)	-6.6%
Transfer from Liquor Commission	13.8	13.1	0.7	23.8	23.8	-	0.0%
Interest & Dividends Tax	0.9	1.1	(0.2)	1.1	1.5	(0.4)	-26.7%
Insurance Tax	1.4	1.1	0.3	2.3	1.9	0.4	21.1%
Communications Tax	6.7	6.9	(0.2)	13.5	15.0	(1.5)	-10.0%
Real Estate Transfer Tax	9.8	6.9	2.9	17.4	16.5	0.9	5.5%
Court Fines & Fees	1.2	1.5	(0.3)	2.3	2.2	0.1	4.5%
Securities Revenue	0.5	0.4	0.1	0.8	0.9	(0.1)	-11.1%
Utility Consumption Tax	0.5	0.4	0.1	0.9	0.9	-	0.0%
Board & Care Revenue	1.9	2.0	(0.1)	2.8	3.4	(0.6)	-17.6%
Beer Tax	1.2	1.3	(0.1)	2.6	2.7	(0.1)	-3.7%
Racing & Games of Chance	-	0.2	(0.2)	-	0.3	(0.3)	-100.0%
Other	2.4	3.0	(0.6)	5.4	6.9	(1.5)	-21.7%
Gambling Winnings Tax	-	0.1	(0.1)	-	0.2	(0.2)	-100.0%
Transfer from Lottery Commission	5.1	5.5	(0.4)	5.1	5.5	(0.4)	-7.3%
Transfer from Racing & Charitable Gaming	0.2	0.1	0.1	0.2	0.1	0.1	100.0%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	(0.1)	0.5	(0.6)	(0.1)	0.5	(0.6)	-120.0%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	109.0	106.2	2.8	195.3	199.1	(3.8)	-1.9%
Net Medicaid Enhancement Rev	0.1	0.1	-	0.1	0.1	-	0.0%
Recoveries	0.2	2.8	(2.6)	0.2	2.8	(2.6)	-92.9%
Total Receipts	\$ 109.3	\$ 109.1	\$ 0.2	\$ 195.6	\$ 202.0	\$ (6.4)	-3.2%

July Analysis

Actual vs. Plan

FY 12 Actuals	FY 12 Plan	Inc/(Dec)
\$ 9.1	\$ 9.3	\$ (0.2)
6.0	5.7	0.3
15.1	15.0	0.1
21.1	21.0	0.1
17.5	20.5	(3.0)
10.0	10.6	(0.6)
0.2	0.4	(0.2)
0.9	0.9	-
6.8	6.6	0.2
7.6	7.8	(0.2)
1.1	1.0	0.1
0.3	0.5	(0.2)
0.4	0.5	(0.1)
0.9	1.2	(0.3)
1.4	1.4	-
-	-	-
3.0	3.2	(0.2)
-	-	-
-	-	-
-	-	-
-	-	-
86.3	90.6	(4.3)
-	-	-
-	0.2	(0.2)
\$ 86.3	\$ 90.8	\$ (4.5)

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

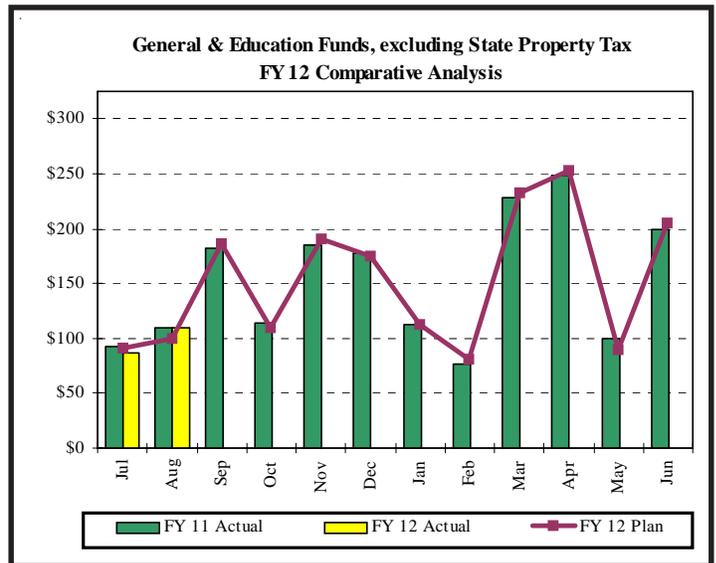
General and Education Funds

Year-to-Date Comparison to Plan

General & Education Funds	General			Education			Total			% Inc/(Dec)
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$ 14.0	\$ 12.7	\$ 1.3	\$ 3.0	\$ 2.7	\$ 0.3	\$ 17.0	\$ 15.4	\$ 1.6	10.4%
Business Enterprise Tax	3.8	3.1	0.7	7.3	6.2	1.1	11.1	9.3	1.8	19.4%
Subtotal Business Taxes	17.8	15.8	2.0	10.3	8.9	1.4	28.1	24.7	3.4	13.8%
Meals & Rentals Tax	46.6	45.2	1.4	1.2	1.5	(0.3)	47.8	46.7	1.1	2.4%
Tobacco Tax	28.2	23.8	4.4	13.1	18.7	(5.6)	41.3	42.5	(1.2)	-2.8%
Transfer from Liquor Commission	23.8	24.2	(0.4)	-	-	-	23.8	24.2	(0.4)	-1.7%
Interest & Dividends Tax	1.1	1.1	-	-	-	-	1.1	1.1	-	0.0%
Insurance Tax	2.3	1.8	0.5	-	-	-	2.3	1.8	0.5	27.8%
Communications Tax	13.5	13.0	0.5	-	-	-	13.5	13.0	0.5	3.8%
Real Estate Transfer Tax	11.9	10.3	1.6	5.5	5.1	0.4	17.4	15.4	2.0	13.0%
Court Fines & Fees	2.3	2.3	-	-	-	-	2.3	2.3	-	0.0%
Securities Revenue	0.8	0.9	(0.1)	-	-	-	0.8	0.9	(0.1)	-11.1%
Utility Consumption Tax	0.9	1.0	(0.1)	-	-	-	0.9	1.0	(0.1)	-10.0%
Board & Care Revenue	2.8	2.9	(0.1)	-	-	-	2.8	2.9	(0.1)	-3.4%
Beer Tax	2.6	2.8	(0.2)	-	-	-	2.6	2.8	(0.2)	-7.1%
Other	5.4	5.6	(0.2)	-	-	-	5.4	5.6	(0.2)	-3.6%
Transfer from Lottery Commission	-	-	-	5.1	5.1	-	5.1	5.1	-	0.0%
Transfer from Racing & Charitable Gaming	-	-	-	0.2	0.2	-	0.2	0.2	-	0.0%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	(0.1)	-	(0.1)	(0.1)	-	(0.1)	-100.0%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	160.0	150.7	9.3	35.3	39.5	(4.2)	195.3	190.2	5.1	2.7%
Net Medicaid Enhancement Rev	0.1	-	0.1	-	-	-	0.1	-	0.1	100.0%
Recoveries	0.2	0.3	(0.1)	-	-	-	0.2	0.3	(0.1)	-33.3%
Total Receipts	\$ 160.3	\$ 151.0	\$ 9.3	\$ 35.3	\$ 39.5	\$ (4.2)	\$ 195.6	\$ 190.5	\$ 5.1	2.7%

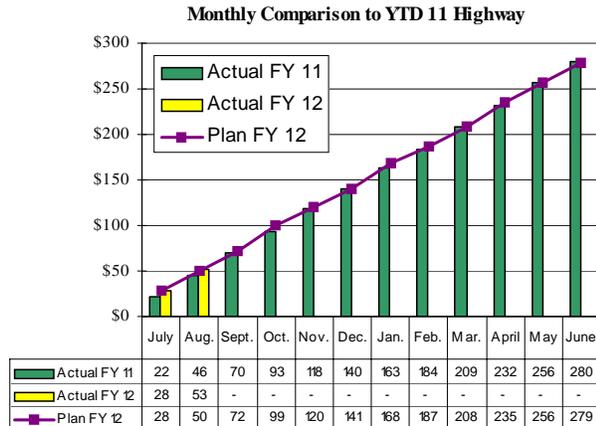
Education Trust Fund Statement of Activity - FY 2012 July 1, 2011 to August 31, 2011	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	35.3
Expenditures	
Education Grants & Adm Costs	(120.4)
Ending Surplus (Deficit) - unaudited	\$ (85.1)

Fiscal 2012 Adequate Education Grant payments of \$593.0 million are due 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	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 20.9	\$ 21.1	\$ (0.2)
Miscellaneous	12.2	9.9	2.3
Motor Vehicle Fees			
MV Registrations	13.8	12.9	0.9
MV Operators	2.0	2.0	-
Inspection Station Fees	0.7	0.7	-
MV Miscellaneous Fees	1.9	1.8	0.1
Certificate of Title	1.0	1.1	(0.1)
Total Fees	19.4	18.5	0.9
Total	\$ 52.5	\$ 49.5	\$ 3.0

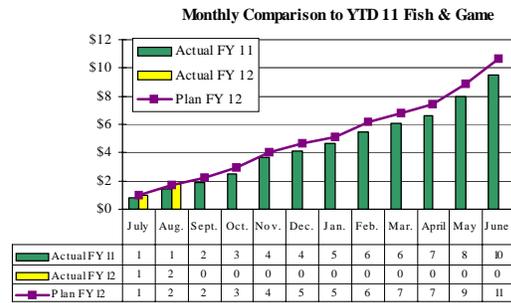


- According to **Road Toll** Operations, actual fuel consumption is down approximately 1.9% over the same period last year, and is tracking below estimates due to economic conditions and more fuel efficient vehicles.

- According to the Department of Transportation, the **Miscellaneous** category is ahead of plan due to project completions resulting in final federal overhead billings. A portion of this is the timing of receipts which were planned later.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 1.8	\$ 1.6	\$ 0.2
Fines and Penalties	-	-	-
Miscellaneous Sales	-	0.1	(0.1)
Federal Recoveries Indirect Costs	-	-	-
Total	\$ 1.8	\$ 1.7	\$ 0.1



Tobacco Stamp Sales 3 month period (June, July, August)			
Calendar Year	Stamp Sales	Volume Change	Percent Change
Cumulative		(9,190.8)	-20.1%
2011**	36,460.8	484.8	1.3%
2010*	35,976.0	(1,016.4)	-2.7%
2009*	36,992.4	(7,016.4)	-15.9%
2008	44,008.8	(1,642.8)	-3.6%
2007*	45,651.6		

* Tax rate increases effective July 1 ** Tax rate decrease effective July 1 Revenue may not be recorded for up to 30 days after sale of stamps (cash basis)

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

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