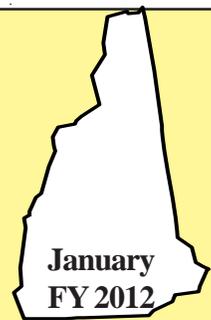


# State Of New Hampshire

## Monthly Revenue Focus

### Department of Administrative Services

Linda M. Hodgdon, Commissioner  
Edgar R. Carter, Comptroller



January  
FY 2012

## Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 12</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
<b>Gen &amp; Educ</b>	\$ 126.6	\$ 112.3	\$ 14.3
<b>Highway</b>	\$ 28.1	\$ 27.3	\$ 0.8
<b>Fish &amp; Game</b>	\$ 0.5	\$ 0.4	\$ 0.1

## Current Month

General & Education Funds	FY 12 Actuals	FY 12 Plan	Actual vs. Plan	% Inc/(Dec)
Business Profits Tax	\$ 16.0	\$ 9.1	\$ 6.9	75.8%
Business Enterprise Tax	9.9	5.5	4.4	80.0%
Subtotal Business Taxes	25.9	14.6	11.3	77.4%
Meals & Rentals Tax	18.3	17.5	0.8	4.6%
Tobacco Tax	16.6	15.7	0.9	5.7%
Transfer from Liquor Commission	8.4	8.8	(0.4)	-4.5%
Interest & Dividends Tax	12.0	13.4	(1.4)	-10.4%
Insurance Tax	1.4	1.6	(0.2)	-12.5%
Communications Tax	6.5	6.8	(0.3)	-4.4%
Real Estate Transfer Tax	8.0	7.5	0.5	6.7%
Court Fines & Fees	1.2	1.0	0.2	20.0%
Securities Revenue	10.9	8.8	2.1	23.9%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	1.8	1.7	0.1	5.9%
Beer Tax	1.1	1.1	-	0.0%
Other	5.2	5.8	(0.6)	-10.3%
Transfer from Lottery Commission	6.7	6.6	0.1	1.5%
Transfer from Racing & Charitable Gaming	0.2	0.7	(0.5)	-71.4%
Tobacco Settlement	-	-	-	-
Utility Property Tax	0.4	-	0.4	100.0%
State Property Tax	-	-	-	-
Subtotal Traditional Taxes & Transfers	125.1	112.1	13.0	11.6%
Net Medicaid Enhancement Revenue	-	-	-	-
Recoveries	1.5	0.2	1.3	650.0%
Total Receipts	\$ 126.6	\$ 112.3	\$ 14.3	12.7%

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

## Analysis

Unrestricted revenue from the General and Education Funds for January totaled \$126.6 million, surpassing both the plan and prior year by \$14.3 million (13%) and 13.5 million (12%), respectively, due primarily to favorable business tax performance. Year to date (YTD) revenue totaled \$936.8 million, which was below plan by \$27.5 million (3%) and below prior year by \$37.2 million (4%), due largely to shortfalls in Tobacco Tax, Interest & Dividends Tax and Medicaid Enhancement Tax collections.

**Business Tax** collections for January totaled \$25.9 million, which was ahead of plan by \$11.3 million and above prior year by \$14.9 million. Estimates in the month are 22% higher than prior year. On a YTD basis, revenue from business taxes continued its trend of being above both plan and prior year by coming in \$21.9 million (9%) and \$28.8 million (13%) higher, respectively. According to the Dept. of Revenue (DRA), YTD payments with returns, extensions and estimates exceed last year by 8.4%. YTD, refund payments are 42% below prior year and tax notice payments are down 25%.

**Meals and Rentals Tax (M&R)** receipts this month, net of Building Aid Debt Service transfers, came in \$0.8 million above plan and \$0.7 million above the prior year. According to DRA, these results are due to strong December holiday business. As can be seen in the chart on page 2, gross revenue receipts for the month, before Building Aid Debt Service transfers, were 8% above prior year and YTD is tracking \$7.2 million or 5% above prior year.

**Tobacco Tax** revenue for the month of January was \$0.9 million above plan and \$0.3 million above last January. However, YTD Tobacco tax revenue is still tracking 6% below plan due to declining package sales, and 9% below prior year reflecting the added effect of the reduction in tax rate.

**Interest and Dividends Tax (I&D)** collections for January totaled \$12.0 million, which were below plan by \$1.4 million (10%) and below prior year by \$0.3 million (2%). Final quarterly estimates were due from taxpayers on January 15<sup>th</sup> which, according to DRA were down 2% as compared to prior year. On a YTD basis, I&D is \$7.2 million (20%) below plan and \$4.3 million (13%) below prior year. April is the month when the majority of the tax is paid since taxpayers file or extend their annual returns, and pay 1<sup>st</sup> quarter estimates for the next year.

The **Real Estate Transfer Tax (RET)** totaled \$8.0 million for the month, which was above plan by \$0.5 million and above prior year by \$0.3 million. This brings year to date revenue from RET to \$52.8 million, \$2.3 million (5%) above plan and \$1.4 million (3%) above prior year. Residential transactions for December, which January receipts are for, were 11% higher than December 2010. For the year, transactions are approximately 2% higher for residential transfers.

**Securities Revenue** for January came in \$2.1 million above plan for the month bringing YTD collections to \$1.7 million above plan. According to the Secretary of State's office, the higher revenue is from a larger than anticipated number of new registrants and renewals from Agents and Broker/Dealers.

**Other unrestricted revenue** sources are behind plan by \$2.1 million YTD due in part to a consistent monthly shortfall in LCHIP receipts, resulting in a cumulative shortfall of \$.4 million. Also contributing to the YTD variance is lower than expected receipts of various licenses and fees. The current month is slightly off from plan largely due to timing of indirect cost reimbursements from agencies.

The \$6.7 million transfer from the **Lottery Commission** reflects operating results for December. While sales increased by \$7.4 million (6.5%) over the same period prior year, costs of Prizes and Commissions also increased \$6.9 million (8.7%), leaving a net improved gross profit margin of \$0.6 million or 1.6%.

**Racing and Charitable Gaming** receipts are lower than plan due to delays in the transfer of unclaimed ticket revenues. **Utility Property Tax** revenues are ahead of plan and prior year due to appraised property value adjustments.

**RET Analysis**

(In Millions)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan
FY12	7.6	9.8	7.7	6.6	7.0	6.1	8.0
FY11	9.6	6.9	6.6	6.7	6.6	7.3	7.7
FY10	9.0	8.3	7.6	8.1	7.1	7.3	7.4
Mo over Mo	(2.0)	2.9	1.1	(0.1)	0.4	(1.2)	0.3
% Mo over Mo	-21%	42%	17%	-1%	6%	-16%	4%
YTD change over Prior Year	(2.0)	0.9	2.0	1.9	2.3	1.1	1.4
% YTD change	-21%	5%	9%	6%	6%	3%	3%

**Business Tax Refund Analysis**

	Jul	Aug	Sep	Oct	Nov	Dec	Jan
FY12	1.2	1.6	3.2	1.8	5.5	3.8	4.0
FY11	3.4	0.9	3.5	5.2	6.1	2.5	15.0
FY10	1.6	1.2	2.1	3.6	6.3	5.2	7.2
Mo over Mo change	(2.2)	0.7	(0.3)	(3.4)	(0.6)	1.3	(11.0)
YTD change	(2.2)	(1.5)	(1.8)	(5.2)	(5.8)	(4.5)	(15.5)

**M&R Analysis**

	January			YTD		
	FY 12	FY 11	Diff	FY 12	FY 11	Diff
Gross Collections	19.5	18.1	1.4	159.4	152.2	7.2
Bldg Aid Debt Srv Transfer	(1.2)	(0.5)	(0.7)	(8.5)	(2.6)	(5.9)
Net Revenue	18.3	17.6	0.7	150.9	149.6	1.3

**General & Education Funds Comparison to FY 11****Monthly****Year-to-Date**

General & Education Funds	FY 12	FY 11	Inc/(Dec)	FY 12	FY 11	Inc/(Dec)	%
	Actuals	Actuals		Actuals	Actuals		
Business Profits Tax	\$ 16.0	\$ 6.6	\$ 9.4	\$ 156.5	\$ 139.2	\$ 17.3	12.4%
Business Enterprise Tax	9.9	4.4	5.5	101.1	89.6	11.5	12.8%
Subtotal Business Taxes	25.9	11.0	14.9	257.6	228.8	28.8	12.6%
Meals & Rentals Tax	18.3	17.6	0.7	150.9	149.6	1.3	0.9%
Tobacco Tax	16.6	16.3	0.3	128.8	141.7	(12.9)	-9.1%
Transfer from Liquor Commission	8.4	7.7	0.7	78.2	77.7	0.5	0.6%
Interest & Dividends Tax	12.0	12.3	(0.3)	29.0	33.3	(4.3)	-12.9%
Insurance Tax	1.4	1.4	-	8.3	7.8	0.5	6.4%
Communications Tax	6.5	6.6	(0.1)	45.7	48.0	(2.3)	-4.8%
Real Estate Transfer Tax	8.0	7.7	0.3	52.8	51.4	1.4	2.7%
Court Fines & Fees	1.2	0.9	0.3	7.7	7.7	-	0.0%
Securities Revenue	10.9	10.3	0.6	13.5	13.2	0.3	2.3%
Utility Consumption Tax	0.5	0.4	0.1	3.5	3.5	-	0.0%
Board & Care Revenue	1.8	1.0	0.8	12.3	11.5	0.8	7.0%
Beer Tax	1.1	1.1	-	8.1	8.2	(0.1)	-1.2%
Racing & Games of Chance	-	0.2	(0.2)	-	1.3	(1.3)	-100.0%
Other	5.2	5.9	(0.7)	29.7	32.3	(2.6)	-8.0%
Gambling Winnings Tax	-	0.2	(0.2)	-	1.7	(1.7)	-100.0%
Transfer from Lottery Commission	6.7	7.2	(0.5)	31.8	32.9	(1.1)	-3.3%
Transfer from Racing & Charitable Gaming	0.2	0.1	0.1	1.5	0.6	0.9	150.0%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	0.4	1.4	(1.0)	17.8	16.7	1.1	6.6%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	125.1	109.3	15.8	877.2	867.9	9.3	1.1%
Net Medicaid Enhancement Rev	-	-	-	55.9	92.8	(36.9)	-39.8%
Recoveries	1.5	3.8	(2.3)	3.7	13.3	(9.6)	-72.2%
Total Receipts	\$ 126.6	\$ 113.1	\$ 13.5	\$ 936.8	\$ 974.0	\$ (37.2)	-3.8%

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

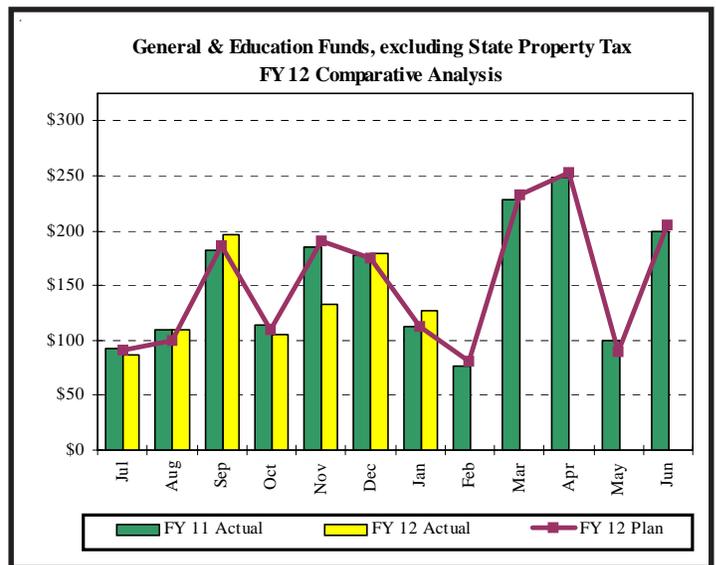
**General and Education Funds**

**Year-to-Date Comparison to Plan**

General & Education Funds	General			Education			Total			% Inc/(Dec)
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$ 129.3	\$ 120.5	\$ 8.8	\$ 27.2	\$ 25.9	\$ 1.3	\$ 156.5	\$ 146.4	\$ 10.1	6.9%
Business Enterprise Tax	34.2	29.7	4.5	66.9	59.6	7.3	101.1	89.3	11.8	13.2%
Subtotal Business Taxes	163.5	150.2	13.3	94.1	85.5	8.6	257.6	235.7	21.9	9.3%
Meals & Rentals Tax	146.0	141.3	4.7	4.9	4.9	-	150.9	146.2	4.7	3.2%
Tobacco Tax	83.0	76.6	6.4	45.8	59.8	(14.0)	128.8	136.4	(7.6)	-5.6%
Transfer from Liquor Commission	78.2	80.7	(2.5)	-	-	-	78.2	80.7	(2.5)	-3.1%
Interest & Dividends Tax	29.0	36.2	(7.2)	-	-	-	29.0	36.2	(7.2)	-19.9%
Insurance Tax	8.3	7.2	1.1	-	-	-	8.3	7.2	1.1	15.3%
Communications Tax	45.7	46.3	(0.6)	-	-	-	45.7	46.3	(0.6)	-1.3%
Real Estate Transfer Tax	37.6	33.7	3.9	15.2	16.8	(1.6)	52.8	50.5	2.3	4.6%
Court Fines & Fees	7.7	7.7	-	-	-	-	7.7	7.7	-	0.0%
Securities Revenue	13.5	11.8	1.7	-	-	-	13.5	11.8	1.7	14.4%
Utility Consumption Tax	3.5	3.5	-	-	-	-	3.5	3.5	-	0.0%
Board & Care Revenue	12.3	11.9	0.4	-	-	-	12.3	11.9	0.4	3.4%
Beer Tax	8.1	8.3	(0.2)	-	-	-	8.1	8.3	(0.2)	-2.4%
Other	29.7	31.8	(2.1)	-	-	-	29.7	31.8	(2.1)	-6.6%
Transfer from Lottery Commission	-	-	-	31.8	35.4	(3.6)	31.8	35.4	(3.6)	-10.2%
Transfer from Racing & Charitable Gaming	-	-	-	1.5	2.1	(0.6)	1.5	2.1	(0.6)	-28.6%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	17.8	14.0	3.8	17.8	14.0	3.8	27.1%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	666.1	647.2	18.9	211.1	218.5	(7.4)	877.2	865.7	11.5	1.3%
Net Medicaid Enhancement Rev	55.9	97.0	(41.1)	-	-	-	55.9	97.0	(41.1)	-42.4%
Recoveries	3.7	1.6	2.1	-	-	-	3.7	1.6	2.1	131.3%
Total Receipts	\$ 725.7	\$ 745.8	\$ (20.1)	\$ 211.1	\$ 218.5	\$ (7.4)	\$ 936.8	\$ 964.3	\$ (27.5)	-2.9%

Education Trust Fund Statement of Activity - FY 2012 July 1, 2011 to January 31, 2012	
Description	Amount
Beginning Surplus (Deficit)	\$ -
Unrestricted Revenue - See above	211.1
Expenditures	
Education Grants & Adm Costs	(427.3)
Ending Surplus / (Deficit)	\$ (216.2)

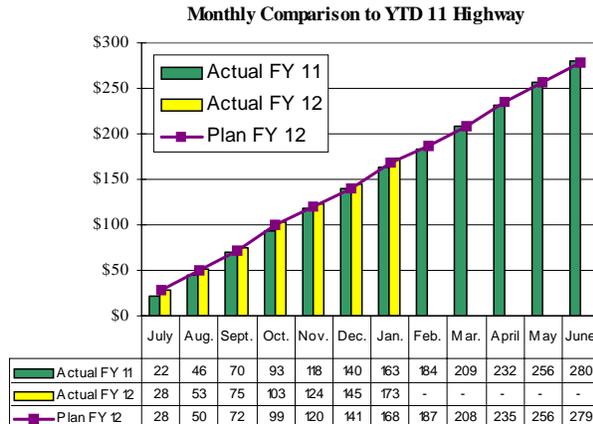
Fiscal 2012 Adequate Education Grant payments of \$593.0 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.0 million of grants through local retention of Statewide Property Tax collections. The more significant revenues to this fund occur in March and April.





## Highway Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 74.0	\$ 74.5	\$ (0.5)
Miscellaneous	35.7	30.9	4.8
<b>Motor Vehicle Fees</b>			
MV Registrations	43.4	42.3	1.1
MV Operators	7.2	7.0	0.2
Inspection Station Fees	2.2	2.3	(0.1)
MV Miscellaneous Fees	6.4	6.6	(0.2)
Certificate of Title	4.2	4.3	(0.1)
<b>Total Fees</b>	<b>63.4</b>	<b>62.5</b>	<b>0.9</b>
<b>Total</b>	<b>\$ 173.1</b>	<b>\$ 167.9</b>	<b>\$ 5.2</b>

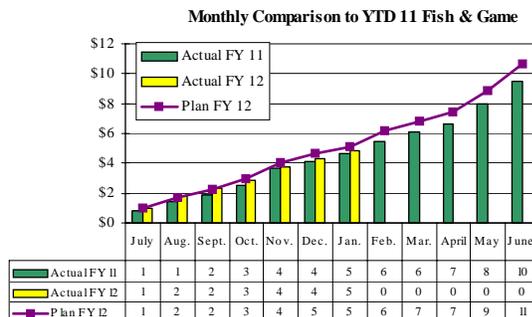


- According to **Road Toll** Operations, actual fuel consumption is down approximately 1.28% over the same period last year, and is tracking slightly below estimates due to economic conditions, weather and more fuel efficient vehicles.

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

## Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 3.7	\$ 4.1	\$ (0.4)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.8	0.5	0.3
Federal Recoveries Indirect Costs	0.2	0.4	(0.2)
<b>Total</b>	<b>\$ 4.8</b>	<b>\$ 5.1</b>	<b>\$ (0.3)</b>



## Sales of Cigarette Stamps

**8 month period ended January 31 for each of last five years  
(number of stamps, in thousands)**

Seven Mos. Ended	Sales of Stamps	Volume Change	Percent Change
<b>Cumulative&gt;&gt;&gt;</b>		<b>(23,065)</b>	<b>-21.5%</b>
<b>2012***</b>	<b>84,059</b>	<b>(2,879)</b>	<b>-3.3%</b>
<b>2011</b>	<b>86,938</b>	<b>(2,396)</b>	<b>-2.7%</b>
<b>2010*</b>	<b>89,334</b>	<b>(16,818)</b>	<b>-15.8%</b>
<b>2009**</b>	<b>106,152</b>	<b>(972)</b>	<b>-0.9%</b>
<b>2008*</b>	<b>107,124</b>		

Prepared from data provided by DRA

Cash basis revenue recorded up to 30 days following sale of stamps

Effective Dates-Increases: July 1(\*) and October 15(\*\*); -Decrease: July 1(\*\*\*)

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

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